

## D2N2 LEP BOARD – AGENDA

Tuesday, 24 September, 2019, 10am – 12.00pm

**Riverside Chambers Board Room, Derwent Street. Derby DE1 3AF**

1.1	Welcome and Introductions		Verbal	10.00
1.2	Declarations of Interest		Verbal	10.03
1.3	Board Members closed discussion on future strategic direction ( <b>Board Members Only</b> )		Verbal	10.05
1.4	Minutes of meeting 9/7/19 and matters arising		Paper	10.40
<b>2.</b>	<b>Strategic discussion</b>			
2.1	Chair's Report, including: a) Advisory Board Updates b) LEP Review (Appendix A) c) Marketing and Communications Update (Appendix B)	Elizabeth Fagan	Paper	10.40
2.2	D2N2 Chief Executive's Report, including: a) Organisational Restructure b) Local Industrial Strategy c) Towns Fund announcement d) Growth Hub and Brexit Support e) ESIF Update f) North Derbyshire Manufacturing Zone	Sajeeda Rose	Paper	11.00
2.3	Policy Update from BEIS	David Wright	Verbal	11.20
<b>3.</b>	<b>Standing Items</b>			
3.1	Capital Programmes Performance Update	Sajeeda Rose	Paper	11.30
3.2	Development Corporation Update	Anthony May	Paper	11.40
3.3	HS2 Update report		Paper for Noting	11:50
<b>4.</b>	<b>Any other business</b>			11.55
<b>5.</b>	<b>Date of next meeting:</b> Tuesday, 19 November, 2019 (10 am – 12 noon) Derbyshire County Council			

*Tea/coffee will be available on arrival*

## **Item 1.4: DRAFT Key Decision/Action Points from Board**

D2N2 LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

Tuesday 9 July, 2019

University of Nottingham RAD building, Jubilee Campus, Triumph Road

Nottingham NG8 1BB

Chair Elizabeth Fagan  
Minutes Sally Hallam

### **1. Present and Apologies**

#### **D2N2 Board Members in Attendance**

Graham Cartledge	Business Representative
Cllr Kay Cutts, MBE	Nottinghamshire County Council
Peter Gadsby	Business Representative
Paul Harris	Business Representative
Jane Howson	VCS Representative
Cllr Barry Lewis	Derbyshire County Council
Jayne Mayled	Business Representative
Prof Kathryn Mitchell	H E Sector Representative
Cllr David Mellen	Nottingham City Council
Cllr Chris Poulter	Derby City Council
Emma Rigler	Business Representative
Cllr Simon Robinson	Rushcliffe Borough Council
Viv Russell	Business Representative
Karen Smart	Business Representative
Dawn Ward, CBE	F E Sector Representative
David Williams	Business Representative
David Wright	Assistant Director, BEIS

#### **Also in attendance**

Anthony May	Nottinghamshire County Council CEO
Nicki Jenkins	sub for Nottingham City Council CEO
Joe Battye	representing Derbyshire County Council
Greg Jennings	sub for Derby City Council CEO
Kath Marriott	Rushcliffe Borough Council CEO
Dan Swaine	Joint CEX Bolsover and N E Derbyshire DCs

#### **Officer Support**

Sajeeda Rose	Chief Executive, D2N2
Matthew Wheatley	Growth Plan Manager, D2N2
Rachel Quinn	Careers, Employability and Inclusion Manager, D2N2
Tom Goshawk	Capital Projects Manager

## **Apologies**

Apologies were received from Board member Cllr Martin Thacker and Scott Knowles from East Midlands Chamber.

### **1.1 Welcome and Introductions**

The Chair welcomed attendees to the meeting including Jayne Mayled and Cllr David Mellen attending for the first time and Peter Gadsby who was attending for the last time as his tenure on the Board concluded.

Elizabeth Fagan also extended thanks to Ben Sumner, Interim Director of Research on behalf of the University of Nottingham for kindly hosting the meeting.

### **1.2 Welcome to the University of Nottingham**

Ahead of the main agenda items, the Chair invited Ben Sumner to give a short presentation.

Board heard a short overview of the work of the university including reference to its global footprint together with detail in particular of the development of the Jubilee campus, home to major research facilities. Examples were given of the university's research work in collaboration with industry.

The Chair thanked Ben on behalf of Board for the presentation.

### **1.3 Declarations of Interest**

The Chair reminded all Members that Declarations of Interest should be stated to be recorded where an interest arose.

No declarations were made.

### **1.4 Minutes of last meeting and matters arising**

The Minutes of the previous meeting held on 14 May, 2019 were confirmed as a true record.

There were no matters arising other than those already covered on the agenda.

## **2. Items for Strategic Discussion**

### **2.1 Chair's Report**

The Chair updated Board on a number of developments since the last Board, including:

- a) D2N2 Board governance implementation
- b) Implementation of the LEP review
- c) Media Coverage report and Social Media report.

On Board governance, the Chair reported that three of the four advisory boards had now held inaugural meetings and drew members' attention to the scoping notes for each, before inviting the Chairs to give verbal updates to the group.

For the Place Board, Chair David Williams reported that, following the initial scoping meeting, a further meeting was scheduled for 10 July at which Derby City Council and Derbyshire County Councils would be presenting their concepts of Place.

For the People and Skills Board, Chair Prof Kath Mitchell outlined the need that had been identified for participant members to have the necessary knowledge and experience to contribute to its advisory work beyond reinventing existing education board activities. She thanked Rachel Quinn of the LEP for supporting work on this 'knowledge challenge' and updated members with reference to initial focus work on coordinating and collaborating with businesses.

The Chair advised that going forward we would be looking for partners to focus on the impact of investment in the region as a whole and not simply a series of individual investment projects, encouraging partners including the universities to work together on more programmes.

For the Business Growth Board, Chair Viv Russell reported that the initial meeting had looked at functions around productivity and growth and exploring what levers they had to work with.

In response to a question posed by Prof Mitchell on behalf of the higher education sector VCs concerning how the new prosperity funding would be managed with the demise of ESIF, the Chair confirmed that this would fall under the remit of the new Investment Board. She reminded members that going forward the focus would be on the totality of investment in the region rather than on considering individual investment projects.

On implementation of the LEP review, the Chair confirmed that Chesterfield Borough Council had now sent written confirmation that they would continue with membership of D2N2 LEP and that progress with the collaboration framework with Sheffield City Region was well under way, drawing members' attention to the draft documentation that had been circulated.

Cllr Barry Lewis queried references within the draft Partnership Collaboration Framework section one to the LEP Board/MCA/Accountable Body having 'primacy' over local decision-making and also to reference to collaboration on matters of policy 'not in the scope of the LEP'. The Chair indicated a belief that some wording may have arisen due to the Sheffield LEP and MCA sharing some resourcing and because some collaborative work would relate to non-constituent members of SCR. She confirmed that wording would be checked before the document was finalised.

Board **NOTED** the report.

## **2.2 Chief Executive's Report**

Sajeeda Rose introduced her report updating Board on the pipeline call and ESIF update as outlined therein and referred members to the detailed notes under each item.

She referred members to the Improvement Plan as agreed with Government, which showed a significant improvement on spending. Outputs remained a concern and work was under way via the LEP Network to collaborate on evaluation frameworks, particularly at East Midlands level with Lincolnshire and Leicestershire.

Consultants had now been appointed to help with the pipeline of short-term projects, to mitigate risks. An updated report would be brought back to the September Board. Preparations were also being made towards a mid-year review in September, by which

time a clearer picture would have emerged regarding risks and mitigation on projects.

Board **NOTED** the report.

### **3. Standing items**

#### **3.1 Performance Review and Update**

Sajeeda Rose introduced an update report on the Local Growth Fund in addition to the IIB paper relating to the meeting of 30 May, 2019.

She drew Members' attention to the tables highlighting the current status of projects and noted examples of challenges where circumstances had changed from initial submission, such as those projects now impacted by the proposed route of HS2.

Cllr Lewis noted the importance of ensuring that outcomes were aligned to targets going forward. The Chair confirmed that strengthened due diligence measures would be employed to avoid projects being submitted when they were not far enough developed to progress successfully.

Board **NOTED** the report.

#### **3.2 HS2 Update Report**

Board received a short update report on developments with HS2 through the HS2 Executive Board and against the background of the current national political context.

Cllr Cutts sought to reassure the Board that her understanding was that the HS2 project would continue regardless of the outcome of the current leadership contest.

The Chair thanked Cllr Cutts for her encouraging and positive comments and supported the recommendation that all should continue to push at every opportunity for HS2 to be progressed given its importance to our local economy.

Board **NOTED** the report.

#### **3.3 Development Corporation Update**

Anthony May of Nottinghamshire County Council spoke to a briefing paper on evaluation work under way into the economic feasibility and legal case for a Development Corporation for the East Midlands to drive forward growth and infrastructure plans for the local area. He reminded Members that the LEP, through its AB (Derbyshire County Council), was holding £2m for feasibility work. Next steps would involve finessing the work of the Oversight Board and Executive Board, the frequency of meetings for both of which would increase.

It was anticipated that the full case would go to Government by the end of 2020 and if confirmed as fully compliant, the new delivery body would be established by April, 2021.

A short discussion ensued. Cllr Poulter stressed the need to clarify the boundary for the Development Corporation to ensure that it was inclusive enough for the region.

The Chair acknowledged this point and confirmed that all parties would be working collaboratively going forward. Regular reports would be provided to this Board as a standing item.

Board **NOTED** the update report.

### **3.4 D2N2 Infrastructure and Investment Board Report**

Cllr Lewis introduced a report updating members on the final meeting of the liB which had taken place on 30 May, 2019.

Cllr Cutts confirmed that the Public Inquiry into Gedling Access Road had opened and closed with no points to address, so this project would now be going ahead.

Board **NOTED** the report and the decisions made by the Infrastructure and Investment Board.

## **4. Key Item for Discussion and Approval**

### **4.1 Local Industrial Strategy: Economic Review and Emerging Ideas**

Paul Harris introduced his report updating Members with ongoing work on the development of the Local Industrial Strategy and delivered a presentation detailing emerging opportunities for inclusion within the Consultation Document which would be issued later in July.

He referred in particular to a summary of initial ideas and potential priorities, highlighting as examples the importance of proactive business support in comprehensive programmes of re-training over the next decade to upskill and reskill workers for the digital age, as well as initiatives such as the use of modern construction methods like factory-built homes to transform the housing market.

A general discussion followed. The Chair indicated that, if Board was happy with strategy development work to this point, she would take it forward at the scheduled Board dinner at the end of the month with a view to shaping the narrative further.

Board **NOTED** the report and **DELEGATED APPROVAL** of the final draft LIS Consultation Document to the Chair, CEO and Board member, Paul Harris.

### **5. Any Other Business**

Prof Kath Mitchell reported that a successful bid for £6.8m funding had been made for delivery of a Midlands Engine Mental Health project across the Midlands, involving the universities of Nottingham and Derby, together with large providers and SMEs. Contact details and further information about the project would be circulated shortly.

Elizabeth Fagan thanked Peter Gadsby for his work with the LEP at the conclusion of his final Board meeting.

### **5 Date of next meeting**

Tuesday, 24 September, 2019 (10.00am – 12.00 pm) – Derbyshire tbc.

**D2N2 LOCAL ENTERPRISE PARTNERSHIP  
BOARD REPORT**

<b>DATE:</b>	24 <sup>th</sup> September 2019
<b>REPORT LEAD:</b>	Elizabeth Fagan
<b>AGENDA ITEM:</b>	2.2

<b>TITLE:</b>	<b>Chair's Report</b>
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## 1. INTRODUCTION

1.1 This report updates members on significant developments since the last Board meeting, specifically:

- a. Advisory Boards
- b. Implementation of the LEP Review
- c. Marketing and Communications Update.

## 2. RECOMMENDATION

Board is asked to **NOTE** the report and:

- a) Approve the Draft Collaboration Framework with SCR LEP for formal submission to Government

## 3. ADVISORY BOARDS

Since the last board meeting both the Place and People and Skills Boards have had further meetings, with meetings scheduled for the Business Growth and Innovation Boards in mid-September. In addition to the update below I will invite each of the Chairs of the respective boards to provide feedback at the board meeting.

The boards are still at early stages of development and are working towards agreeing a clear set of priorities to determine their focus and develop work programmes to deliver against those priorities. This will also feed into the emerging priorities within the Local Industrial Strategy, and in turn going forward as the LIS is developed it will shape and focus activity and actions of Advisory Boards.

Below is an update from the Place and People and Skills Board meetings.

The **Place Board** met on the 10<sup>th</sup> of July 2019. The main focus of the agenda was hearing from Derby and Derbyshire in terms of their respective place plans and emerging priorities. The Board also considered the opportunities for collaboration across D2N2 on maximising the economic opportunities of the Visitor Economy for the region.

The next meeting of the board is scheduled for the 1<sup>st</sup> of October and will consider Nottingham and Nottinghamshire's place priorities, and the outcomes of the Enterprise Zone review.

Going forward the board will be looking at how it moves to agreeing a set of focused priorities across D2N2.

The **People and Skills Board** met on 22<sup>nd</sup> August. Progress is being made on defining priorities and actions, drawing on the learning from the July planning session facilitated by Jane Howson.

A logic chain outlining D2N2 strategic priorities has been drafted. Work is now focussing on refining this document and moving to identify an action plan which will ensure we are able to have substantial impact on carefully selected priorities rather than spread resource too thinly. The group meets again on 22<sup>nd</sup> October.

The **Business Growth Board** is scheduled for the 17<sup>th</sup> of September 2019 which will be its second meeting. Now that the board membership has been confirmed the group will be looking at how it focuses around a number of key priorities and develops work streams around the key themes of business engagement, communication, and improving performance with a view towards developing a clear Business Growth Strategy.

The **Innovation Board** is scheduled to hold its inaugural meeting on the 20<sup>th</sup> of September, chaired by Paul Harris. As it will be the first time the board will have met, the purpose of the meeting will be to get agreement on how it can most effectively support innovation across D2N2.

I am meeting with the chairs of all the boards at the end of October to review progress and ensure that we continue to align activity across the 4 boards.

A meeting of the appointed Inclusion Representatives across all D2N2 Boards has also been arranged for the 19<sup>th</sup> September. This group will meet to ensure coordination across the LEP on this theme.

#### 4. **IMPLEMENTATION OF THE LEP REVIEW: REMOVAL OF OVERLAPS**

I am pleased to confirm that we have now formally removed the overlap with Sheffield City Region LEP and have thereby fully met all aspects of the requirement of the LEP review.

Following the last board meeting I received formal confirmation from Cllr. Tricia Gilby of Chesterfield Borough Council's decision to remain within D2N2, which means that we have now had confirmation from all 5 of the overlap districts intention to remain with D2N2.

I have met with the new leaders of Derbyshire Dales, Bolsover and North East Derbyshire District councils who have all re-confirmed their commitment to remaining within D2N2.

One of the clear concerns of the 5 overlap districts is future collaboration with SCR on the shared functional economic area, and management of the transition arrangements to April 2020.

We have made significant progress on finalising the collaboration agreement with SCR LEP and believe that the latest version addresses the concerns and issues identified by the districts, who have had input into the latest version.

A copy of the updated Draft Collaboration Framework (**Appendix A**) is attached for Board Members reference. I would like to ask Board Members to approve the Collaboration Framework so that we can formally submit it to Government once the SCR Board have also approved it at their next board meeting on the 4<sup>th</sup> of November 2019.

In recognition of the progress we have made to resolve the overlap and comply with the LEP review we have now also received the £200,000 implementation funding from Government.

**RECOMMENDATION: To approve the Draft Collaboration Agreement with SCR and formally submit to Government.**

## **5. MARKETING AND COMMUNICATIONS UPDATE**

We have appointed a new Head of Marketing who will be joining the team on the 30<sup>th</sup> of September. One of the clear priorities for the role will be to develop a new marketing strategy for D2N2 to help support the delivery of the vision for the region. Once developed we will bring this back to the board to set out how we will achieve greater profile and engagement, improved messaging on the key issues that affect the D2N2 economy and greater share of the voice to influence opportunities for more investment into the region.

Finally I would like to remind Board members that we will be holding our annual conference on the 13<sup>th</sup> of November at Pride Park in Derby, and would like all board members to join me as we set out our ambition for the region.

I attach the D2N2 Marketing and Communications Report (**Appendix B**) for the Board's attention, detailing media coverage (in print, on radio and television, and digitally/online) achieved by D2N2, as well as planned activity.

**Elizabeth Fagan**

**Chair**

**24<sup>th</sup> September, 2019**

## **Item 2.1 Appendix A: SCR and D2N2 Local Enterprise Partnership's Collaboration Framework**

### **Introduction**

Following the Government's review of Local Enterprise Partnerships (LEPs) and the removal of overlapping geographies, this joint statement outlines the intended collaboration between the Sheffield City Region and D2N2 LEPs across the shared functional economic area.

The purpose of the collaboration is to develop shared approaches where there is a clear rationale to do so, and where the impact of doing the activity will exceed the economic benefits of separate endeavours.

### **Section 1 Principles and Objectives**

#### **Principles underpinning the collaboration framework**

1. Collaborate on shared interests, endeavours and common issues or economic priorities.
2. Collaborate across LEP boundaries where interests are aligned when developing strategies and interventions to maximise their impact across the different objectives of the SCR and D2N2 LEPs.
3. Make more efficient use of public resources and secure a better outcome.
4. The D2N2 LEP Board, and the SCR LEP Board and Mayoral Combined Authority Board, have primacy over decision-making within their respective geographical areas.
5. Appropriate and transparent oversight to monitor the agreed objectives is established with the areas affected.

#### **Proposed Objectives**

1. Smooth transition for the five districts currently part of the overlap (namely, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire) to solely operating within a D2N2 framework ensuring no detriment to businesses or residents effected during the transitional period.
2. No detriment to either of the current LEP areas following the transition.

**The Transitional Phase (2019-2021)** has been defined to be the period pre-transition, through the exit of the Districts from the SCR LEP and to the conclusion of the LGF spend programme (noting that output and outcome monitoring could exceed this period).

**The Collaboration Phase (Post-transitional phase) (2021 onwards)** has been defined to look at areas of mutual interest over a longer time horizon.

## **Section 2 - Transitional Phase 2019-2021**

### **1. Strategic Collaboration**

The following areas have been identified as areas where strategic collaboration between the two LEP Boards and their Officers and the Districts in the formerly overlapping geographies is essential. This list is indicative and should be flexible to meet new emerging priorities of mutual benefit and challenges.

#### **Transport**

Where there are potential benefits or disbenefits of schemes / proposals that are material across both LEP areas.

#### **Maximising the Impact of HS2**

Maximising the economic impact of the investment could include strategies relating to skills, supply chain or land and housing.

In light of the HS2 Review announced (20.08.19) sharing local inputs and considering any joint responses and messaging on the potential wider benefits and local and cumulative impact / mitigation.

#### **Local Industrial Strategies**

Work collaboratively to share the evidence base to shape shared outcomes where relevant and ensure alignment across both industrial strategies.

#### **BREXIT Implications**

Sharing work and intelligence on any opportunities, risks and challenges that may face businesses in key supply chains or specific cohorts in the labour market to enable sharing and collaboration on planning.

#### **Rural Economy**

Share information and planned schemes / proposals for developing rural areas and enhancing natural capital assets across both LEP areas, specifically the Peak District National Park.

### **2. Operational Transition**

#### **LGF schemes**

Annex A includes schemes in transition or with on-going reporting obligations. Each LEP will continue to support schemes under contract until the conclusion of the LGF programme and its monitoring of outcomes. Information will be shared with D2N2 on the progression of the overlap schemes in the aforementioned five districts.

#### **Growth Hub**

SCR propose to conclude detailed support for companies within the overlap area during 2019/20. Where this is not possible, and SCR Growth Hub is part way through a business assist activity, this business will be supported until concluded and thereafter as outcomes are reported. A full list of these transitional businesses will be compiled and shared closer to year end.

In 2020/21, all new business enquiries for Growth Hub support in the former overlapping geography will be signposted to the D2N2 Growth Hub. A joint statement will be agreed and issued by the two LEPs to provide clarity to businesses on when products and services will be available from each Growth Hub.

## **ESIF**

Both LEPs already work closely together at an operational level in terms of the delivery of ESIF across the former overlapping districts.

Each LEP will continue to support funded schemes under contract until the conclusion of the ESIF programme and its monitoring and evaluation of outcomes. This will include co-financed projects that are managed by the Opt-in Organisations. Information will be shared by both LEPs on the approval and delivery of any schemes in the overlap area. A full list of approved ESIF projects will be compiled and shared closer to year end.

All new applications for ESIF support in the former overlap area will continue to be processed by each LEP until the end of the ESIF programme funding period.

Where funding is yet to be commissioned through a Call, and which will include delivery in the overlap areas, both LEPs will commit to working together to inform future calls and jointly promote across the overlap area.

## **SCR Skills Bank**

New deals will be entered into during 2019/20 for companies within the overlapping geography whilst they remain an active member of the SCR LEP.

Post transition, in 2020/21 all new business enquiries for skills support in the overlap geography will be signposted to D2N2 Growth Hub for signposting to D2N2 skills and training provision. If a business has a footprint in SCR and also in one of the Districts support will continue for the duration of the Skills Bank service (to be reviewed at the end of 2021). Any deal in progress for any company in the Skills Bank programme will be delivered to conclusion.

### **3. Resourcing**

**Enterprise Zone: Markham Vale** – Government have confirmed that future arrangements for Enterprise Zone remain a matter for the billing authority, eg Chesterfield Borough Council. The Council decision re transference of business rates to SCR LEP (17.12.14) was made on the undertaking that ***this arrangement will be reviewed in the future if there is a change in Government policy or a change to the Council's membership of the Sheffield City Region Combined Authority. Business rates are the decision of Chesterfield Borough Council.***

**Growth Hub resource for the overlap area** - during transition SCR will withdraw from funding business support in the former overlapping areas moving solely to D2N2. This will include any shared posts, and D2N2 will assume full arrangements for the districts within its remit.

**Modelling and appraisal tools** - The new SCR transport model (SCR TM1) and the new land use model (FLUTE 18) have both been designed to include all current SCR MCA local authority areas (with respect to the detailed modelled area). The effects of transport investment therefore can be modelled in the overlap area at a granular level.

All the local authorities and partners within the overlap districts will be able to use this model, irrespective of the redrawn boundaries. Should the SCR transport modelling identify any issues which affect the non-constituent members of the Sheffield City Region MCA, these will be communicated in a timely and agreed manner.

#### **4. Communication and Information Sharing**

Areas to include:

**Evidence base supporting the D2N2 and SCR Economic Plan and Local Industrial Strategies** – to understand any emerging synergies from the evidence base.

**Other investment plans and priorities** - as appropriate to the scope of this collaboration framework, eg cross boundary major investment / supply chains.

**ESIF** - both LEPs will look to share information wherever possible on contracts and providers that are delivering within the overlap area to ensure strategic alignment and co-ordination across both ESIF programmes.

### **Section 3 – Collaboration Phase (Post -Transitional Phase) 2021 onwards**

#### **1. Strategic Collaboration**

Both LEPs will continue to collaborate on shared areas of interest including, but not exclusively:

- Digital Infrastructure
- Housing
- Transport
- HS2
- Spatial Planning
- Rural Economy
- Flood Alleviation
- Energy Strategy
- Major inward investment projects

Both Growth Hubs will also continue to work collaboratively and share intelligence to maximise the benefits for businesses of all sizes.

#### **2. Joint Ventures**

This is an option to consider, especially for shared priorities and themes identified in the respective SEP or LIS documents. Joint Ventures could be considered between the two LEPs but also between a single LEP and a district for example where it could be demonstrated that this was the most suitable delivery option to achieve the desired outcome.

#### **Communication and information sharing**

Both LEPs will share information on outcomes and outputs from legacy programmes within the overlap area and outcomes and outputs from respective SEP and LIS delivery

#### **Section 4 - Collaboration Approach**

The SCR and D2N2 LEPs have previously undertaken joint work and we are committed to working collaboratively to further develop the shared functional economic area. To this end, we are proposing to establish the following:

- **Written Communications** – sharing of reports, documents and data on projects and initiatives delivered in the overlap areas to inform future project development and delivery (as and when required).
- **Joint LEP Chair Meetings** – quarterly meetings to manage the implementation of the Collaboration Framework and ensure ongoing strategic alignment between D2N2 and SCR.
- **Joint Chief Executive Meetings** – quarterly meetings to ensure a smooth transition to new arrangements, to share intelligence for strategic planning and to co-ordinate responses to Government and economic shocks across the shared functional economic area.

Where joint projects and initiatives are developed and delivered across the shared functional economic area, Joint Boards will be established consisting of representatives from both LEPs and the relevant districts. These Joint Boards will provide a steer and focus and serve as an advisory group to aid decision-making.

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**Annex A - Operational programmes Transitional arrangements [to be updated closer to the year end]**

**Local Growth Fund**

Below is a list of live and pipeline projects within each respective programme where there is either an ongoing financial or output commitment:

**D2N2 LGF Programme**

<b>Project Name</b>	<b>Project Applicant</b>	<b>Location</b>	<b>D2N2 LGF Contribution</b>	<b>LGF Remaining to Claim</b>	<b>Outputs</b>	<b>Status of the Project</b>
Chesterfield Centre for Higher Level Skills	University of Derby	Chesterfield	£3.48m	£0	45 Jobs 1,483 Learners	Construction Complete Monitoring of outputs
Harworth Access Road	Nottinghamshire County Council	Harworth, Bassetlaw	£1.1m	£0	6,650 Jobs 885 Homes	Construction Complete Monitoring of outputs
Seymour Link Road	Derbyshire County Council	Markham Vale, North East Derbyshire	£2.52m	£0	1,235 Jobs	Construction Complete Monitoring of outputs
A57/A60 Worksop	Nottinghamshire County Council	Worksop, Bassetlaw	£1.83m	£0	1,753 Jobs 6,000 Homes	Construction Complete Monitoring of outputs
Vesuvius Works	Dooba Developments Limited	Worksop, Bassetlaw	£4.49m	£0	400 Jobs	Construction Complete Monitoring of outputs
Ashbourne Airfield	Derbyshire County Council	Ashbourne, Derbyshire Dales	£1m	£1m	483 Jobs 367 Homes	Awaiting Final Business Case
Riverside Business Park	Litton Properties Group	Bakewell, Derbyshire Dales	£3.35m	£3.35m	320 Jobs	Delivery
HS2 Strategic Sites	Chesterfield Borough Council	Chesterfield	£2.4m	£2.4m	300 Jobs	Awaiting Final Business Case

## SCR LGF Programme

Project Name	Project Applicant	Location	SCR LGF Contribution	LGF Remaining to Claim	Outputs	Status of the Project
Workshop Phase 2	Bassetlaw District Council	Bassetlaw	£1,225,734	£0	1,359 Jobs 93,000m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Workshop Phase 2 b	Bassetlaw District Council	Bassetlaw	£1,150,560	£0	915 Jobs	Delivery
Bassetlaw Employment Sites – Retford	Bassetlaw District Council	Bassetlaw	£725,000	£0	48 Jobs 686m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Harry Needle Rail	Private Co.	Bassetlaw	£500,000	£500,000	40 Jobs	Approval Granted
Workshop site delivery and Vesuvius scheme	Bassetlaw District Council	Bassetlaw	£500,000	£0	420 Jobs 40,703m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Harworth and Bircotes Step Change Programme Road Improvement	Bassetlaw District Council	Bassetlaw	£450,000	£0	2,281 Jobs 888 Housing Units 73,700m2 Commercial Floorspace	Construction Complete Monitoring of outputs
North Notts College Facelift	North Notts College	Bassetlaw	£308,055	£0	1,072 Learners 1,635m2 Refurbished Training Space	Construction Complete Monitoring of outputs
Harrison Drive, Langold	Bassetlaw District Council	Bassetlaw	£135,000	£0	8 Jobs	Construction Complete Monitoring of outputs

Project Name	Project Applicant	Location	SCR LGF Contribution	LGF Remaining to Claim	Outputs	Status of the Project
National Fluid Power Centre Integrated Systems	RNN Group	Bassetlaw	£132,500	£0	900 Learners	Construction Complete Monitoring of outputs
Northern Gateway	Chesterfield Borough Council	Chesterfield	£5,830,000	£0	510 Jobs 2,600m2 Commercial Floorspace 4,500m2 Indirect Commercial Floorspace	Delivery
Seymour Link Road	Chesterfield Borough Council	Chesterfield	£3,780,000	£0	350 Jobs 3km New Road	Construction Complete Monitoring of outputs
Peak Resort	Chesterfield Borough Council	Chesterfield	£2,849,993	£0	406 Jobs 35,000m2 Commercial Floorspace	Construction Complete Monitoring of outputs
Chesterfield Waterside	Chesterfield Borough Council	Chesterfield	£2,552,532	£0	330 Jobs 5 Acres Developed 7,400m2 Commercial Floorspace 21,700m2 Residential Development 310 Housing Units	Delivery
Chesterfield College Infirmary Road Project	Chesterfield College	Chesterfield	£243,000	£0	8,241 Learners	Construction Complete Monitoring of outputs

Project Name	Project Applicant	Location	SCR LGF Contribution	LGF Remaining to Claim	Outputs	Status of the Project
Skills Bank Provider Capacity Fund	Chesterfield College	Chesterfield	£26,000	£26,000	No of Staff Trained – 21 No of new Skills/knowledge /qualifications acquired – 6 No of new training courses – 4 No of additional products added to portfolio - 4	Delivery
OPE – Harworth Masterplan	Bassetlaw District Council	Harworth and Bircotes	£20,000.00	£20,000.00	Jobs Created – 50 Local Government – Land released for Housing (Housing Units) – 26 Local Government Capital receipts - £550,000 Local Government – Land released for Housing (ha) – 5.95	Contract Issued

Project Name	Project Applicant	Location	SCR LGF Contribution	LGF Remaining to Claim	Outputs	Status of the Project
					Local Government – Reduced Running Costs - £60,500 p/a	
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£249,000	£249,000	20 Jobs	Not yet approved
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£120,000	£0	10 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£110,000	£0	11 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£100,000	£0	25 Jobs	Contract Issued
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£51,372	£0	8 Jobs	Project Complete
OTHER PRIVATE BUSINESS GRANT SCHEMES	Private Co.	Chesterfield	£34,000	£0	12 Jobs	Project Complete
OTHER PRIVATE BUSINESS	Private Co.	Chesterfield	£25,000	£0	11 Jobs	Contract Issued

<b>Project Name</b>	<b>Project Applicant</b>	<b>Location</b>	<b>SCR LGF Contribution</b>	<b>LGF Remaining to Claim</b>	<b>Outputs</b>	<b>Status of the Project</b>
GRANT SCHEMES						

DRAFT

## Item 2.1 Appendix B

### D2N2 Marketing & Communications Report (July & August 2019)

#### D2N2 Press Coverage

Overall D2N2 was mentioned 53 times in either print or online press publications and on average had an audience reach of just over 50,000 people per day.

D2N2 received significant positive press coverage across the summer on the Nottingham Southside Project which encompasses several D2N2-backed projects such as the redevelopment of Nottingham Castle, the Broadmarsh area, and Nottingham College's City Hub.

A further highlight was Chesterfield's decision to remain within the D2N2 LEP area which was picked up by 6 different outlets across Derbyshire.

#### D2N2 Website Development Project

D2N2 is currently undertaking the design and implementation of a new website to replace the LEP, TA, and Schools platforms. A supplier (WeAreFramework – based in Nottingham) has now been appointed and a kick-off meeting scheduled for September 2019.

In the meantime an auditing process of the D2N2 websites involving senior officers and the communications team is now taking place. It is anticipated that completion of the project should occur towards the end of quarter 4 2019 and quarter 1 2020.

#### D2N2 Annual Conference:

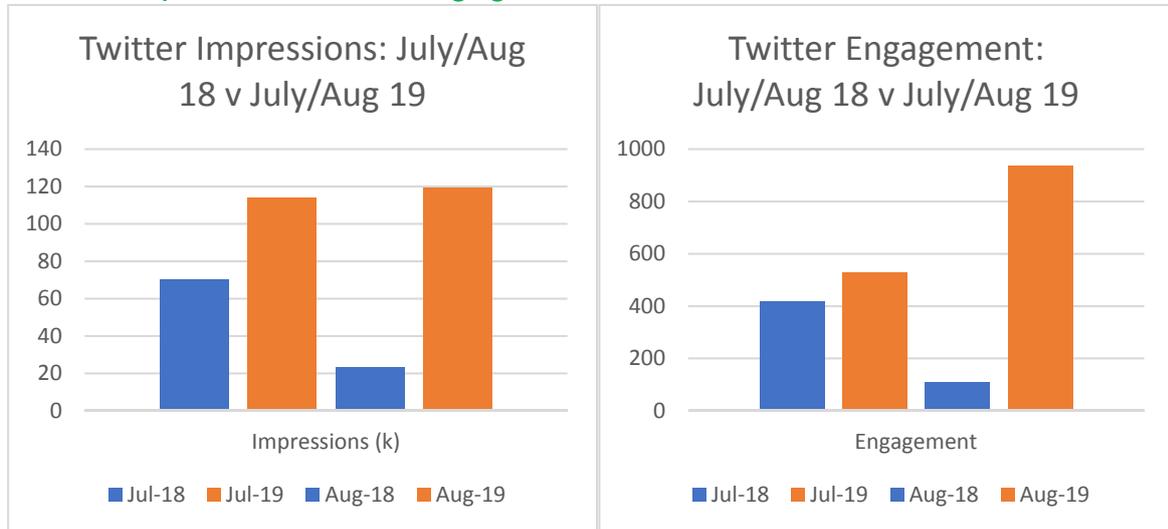
The D2N2 Annual Conference is taking place on November 13 at Pride Park Stadium, Derby. To date (Sept 4) over 100 of the 200 tickets have already been claimed.

In addition to the event, attendees will also be the first to see the 2018/19 Annual Report as well as a specially commissioned video showcasing organisational highlights from the previous year. Suppliers have now been sourced and commissioned on this project.

# D2N2 LEP Social Media Analysis (July & August 19)

Please see below the following key statistics for Twitter and an explanation of what they mean in business terms.

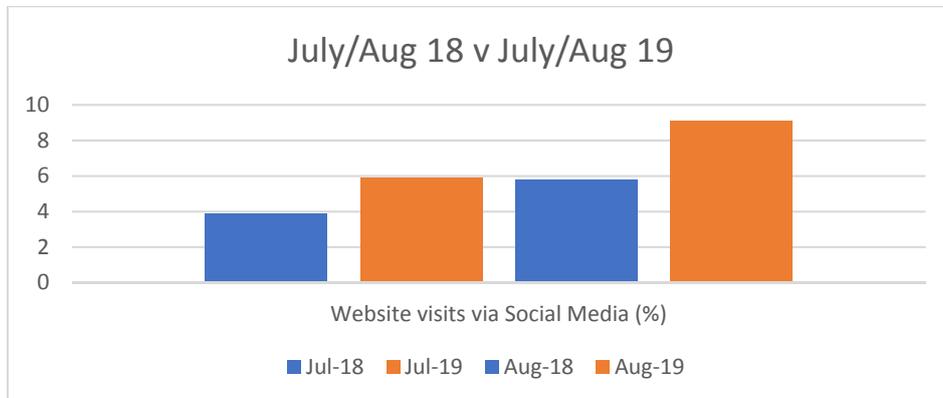
## Twitter Impressions and Engagement:



**Impression Definition:** The number of times a tweet of ours was shown in a user's timeline. This, combined with the engagement metric, is a good proxy for brand awareness.

**Engagement Definition:** The number of times a Twitter user interacted (clicked a link, 'liked' the content, retweeted, or replied directly) with a tweet we published.

## Social Media Driven Website Traffic:



Definition: When a user reaches the website as a result of a web link published on social media.

## Social Media highlights in July/August 2019:

- August featured the largest number of users directed to the website since records began (322 users)
- That high allowed for the largest amount of overall traffic on the website since March 2018 (3462 users)
- By the end of July the D2N2 LEP twitter account had accrued more new followers than in the whole of 2018 (709 in 2018, 711 in 2019)
- Since they were introduced in June 2019, a D2N2 LEP branded video has been viewed 8500 times, including 4300 times in August.
- D2N2 has risen two places in the ranking of LEP Twitter accounts and is now the 7<sup>th</sup> most followed account.

**D2N2 LOCAL ENTERPRISE PARTNERSHIP  
BOARD REPORT**

<b>DATE:</b>	24 <sup>th</sup> September 2019
<b>REPORT LEAD:</b>	Sajeeda Rose
<b>AGENDA ITEM:</b>	2.2

<b>TITLE:</b>	D2N2 Chief Executive's Report
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**1. INTRODUCTION**

- 1.1 This report updates Board on the following:
- Organisational Restructure
  - Local Industrial Strategy Development
  - Towns Fund announcement
  - Growth Hub and Brexit Support
  - ESIF Update
  - North Derbyshire Manufacturing Zone

**2. RECOMMENDATIONS**

**2.1 Board is invited to**

**a. NOTE the report**

**3. ORGANISATIONAL RESTRUCTURE**

Board members will be aware that following a review of the D2N2 staff team we have put in place a new structure to deliver the vision and aims of the Board and its partners.

The purpose of the re-structure was to put into place a team with both the capacity and capability to deliver the role of the strengthened LEP set out in the LEP review, and to deliver the priorities set by the Board.

D2N2 as a team has always been one of the smallest of LEP teams across the 38 LEPs especially for the size of the LEP and its ambitions for the region. The new structure takes into account the core roles of the LEP and puts in place a structure to help D2N2 and the region to achieve its vision for growth and punch its weight at a national level.

The additional costs of the restructure have been fully met from within the existing funding envelope for the LEP which takes into account the additional funds from Government to implement the LEP review.

The process of putting in place the structure is ongoing, a structure chart showing the current position of roles and individuals is attached as an appendix to the report. Further details will be provided at the meeting.

#### 4. LOCAL INDUSTRIAL STRATEGY

The aim for the D2N2 Local Industrial Strategy (LIS) is to set out how we achieve greater productivity and inclusive growth and define the distinctive long-term economic opportunities for the D2N2 region. The LIS will provide a long-term ambitious plan to guide future Government, public and private sector investment decisions

Following the presentation of the emerging evidence by Paul Harris at the last board, the board agreed in principle to develop an industrial strategy for the region focused around the opportunities for clean and inclusive growth as a unifying and distinctive theme.

The evidence shows that D2N2 is ideally placed to lead the UK's journey to a net zero carbon future. It is a centrally located and connected industrial economy with world class innovation, engineering and manufacturing capabilities. It is also the location of nationally critical natural capital. Both of these valuable assets will be required to transform our region and nation into world leaders in clean growth; delivering a thriving, sustainable economy that works to raise productivity and wellness for our people today and for generations to come.

Since the last board meeting the team has focused on refining a comprehensive and expansive evidence base. This extensive analysis of the D2N2 area's economic strengths and challenges is mapped across the five foundations of productivity as well as the four 'Grand Challenges' as set out in the UK's Industrial Strategy. The intention is to share the evidence base and invite partners input on:

- The accuracy of the evidence base in reflecting the current economic landscape of D2N2
- The completeness of the information contained within the evidence base
- The degree of insight the evidence base gives into the [five pillars](#) of the UK National Industrial Strategy and the [four grand challenges](#) facing the UK.

The evidence base is intended to help inform the development of the strategy which will focus on defining the key opportunities for the D2N2 region to maximise its competitiveness.

Given the internal changes within the team we are in the process of commissioning external consultancy to support the Board and partners to co-develop an industrial strategy. Below are the timelines that have been set to lead us towards agreeing a local strategy:

<b>Milestone</b>	<b>Deadline</b>
Deadline for submission of tenders to D2N2	20 <sup>th</sup> September 2019
Interviews and appointment of consultants and inception meeting	W/c 23 <sup>rd</sup> September 2019
<b>Stage One:</b> Development of a clear vision and narrative from the emerging evidence and priorities	Early October 2019
<b>Stage Two:</b> Development of clearly defined priorities	by 31 <sup>st</sup> of October 2019
<b>Stage Three:</b> Consultation with Government Departments and Stakeholders on emerging priorities	By 29 <sup>th</sup> November 2019
<b>Stage Four:</b> Development of outline LIS	By 13 <sup>th</sup> December 2019
Formal approval of outline LIS by D2N2 Board	By 20 <sup>th</sup> December 2019
<b>Stage Five:</b> Co-production with Government and publication of D2N2 LIS	By March 2020

## 5. GROWTH HUB AND BREXIT PREPARATION

The new ERDF funded Growth Hub project started on 1<sup>st</sup> April 2019 and will run for 3 years. Since the start of the new project nearly 600 SMEs have been enrolled. The D2N2 Growth Hub Business Investment Fund was launched in August and is taking applications. Grants of between £3,500 and £20,000 will be awarded to SME projects that can clearly demonstrate step-changes in their business activity contributing to improved productivity and efficiency.

**Intermediary Engagement** On 12<sup>th</sup> September the Growth Hub delivered an event in partnership with the British Business Bank for intermediary bodies (accountants, banks, LLPs) to highlight the service available to SMEs and to promote the Business Investment Fund and BBB funding. It is hoped this will be the first step in closer working with intermediaries to allow the Growth Hub to engage with more productive SMEs.

### **Brexit Readiness Events**

A strong focus of the Growth Hub and its partners is to support businesses to be Brexit ready and therefore there are number of activities planned over the coming weeks. Below is a summary:

BEIS are running Brexit Roadshow events across the country, including one in **Nottingham on 17<sup>th</sup> Sept**, which the Growth Hub is planning to have a strong presence at.

Additionally, East Midlands Chamber have bid to the **Brexit Business Grants Fund** to deliver the following in partnership with the Growth Hub:

- 3 workshops on Navigating Customs
- 3 workshops on IP/Contracts/Regulation
- 3 workshops on Risk Management and Strategic Planning
- 1 seminar on Workforce Planning
- 1 seminar on the Future of Funding
- 1 seminar on Tax and Insurance Implications
- 3 sessions at the currently planned Brexit and Trade conference (focusing on the 3 workshop topics)
- 2 training events on Navigating Customs

The University of Derby are delivering three short courses; [Managing Risk in the Supply Chain](#), [Technology in the Supply Chain](#) and [The Art of Negotiation](#) to assist SMEs to plan a future supply chain strategy.

Between the 25<sup>th</sup> September and 9<sup>th</sup> October the Growth Hub are delivering three Brexit Readiness events in Mansfield across three different sectors – Manufacturing & Engineering, Transport & Logistics, HR & Personnel.

In addition to the local support Government have also allocated further funding across regional LEP clusters to support Brexit readiness which is being co-ordinated by the Lincolnshire LEP on behalf of the East Midlands. The purpose of the regional funding is to co-ordinate intelligence and activity and provide additional 1-2-1 support for businesses to supplement the planned workshops.

## 6. TOWNS FUND

The Government made an announcement on Friday 6<sup>th</sup> of September on the new Towns Fund, identifying 100 places that are to be invited to develop proposals with Government.

The Towns Fund will support investments in town centre regeneration and human capital to improve skills. Through investment the Fund will help to drive long-term economic growth and resilience, and sustainably improve living standards and productivity in towns. It will support the long-term transformation of towns through investment in connectivity, place, enterprise and skills. The Fund will improve transport, broadband connectivity, as well as the social and cultural infrastructure that bring communities together.

8 places across D2N2 – Staveley, Clay Cross, Kirkby in Ashfield, Sutton in Ashfield, Long Eaton, Mansfield, Stapleford and Newark are included in the list. There will also be an opportunity for other towns to apply to do deals via a competition in due course.

Government are expecting to publish a prospectus shortly which will set out greater detail on how the fund will operate including eligibility criteria for funding, expectations for community involvement and maximising the impact of spending and timeline.

There is a potential investment of 'up to £25m per place' the final amount for each place will be dependent on the proposals that come forward and deals being agreed.

LEPs are expected to work with local partners in developing their detailed proposals for submission to ensure alignment with the overall vision for the region. I have already offered to support each of the towns once further details emerge.

## 7. ESIF UPDATE

### 7.1 ERDF Allocations and the future call schedule

The final ERDF calls at LEP level were launched on 28 June and will close on 30 September 2019. Following these calls, any funding remaining in the LEP allocation outside of contracted and selected applications will be transferred to the National Reserve Fund and will be made available through national calls. MHCLG have indicated that National Reserve Fund calls will commence in January 2020 and end in December 2020.

Values for the calls split by Priority Axis area as follows:

PA1 – Innovation	£3,300,000
PA2 – ICT	£236,732
PA3 – SME Competitiveness	£1,818,768
PA4 – Low Carbon	£1,564,497
Total	£6,919,997

MHCLG have confirmed that there will be no further future funding for PA5 and PA6.

MHCLG are removing the rule that applications for extensions can only be accepted if a project is within 18 months of completion. This change is intended to maximise the ability of performing projects at LEP level to come forward. In addition, a revised and simplified outline application is now available for the current calls schedule.

## **7.2 ESF**

### **DWP open calls applications**

There are four final applications in appraisal by DWP for the following open calls

#### **1.1 – Access to Employment for Jobseekers and Inactive People in the D2N2 LEP area (£8.1 m of ESF) – 3 applications**

This call for proposals aims to support unemployed and inactive participants into employment and self-employment.

#### **1.2 Careers & Employability Service for those at risk of becoming NEET in the D2N2 LEP area (£1m of ESF) – 1 application**

This call will provide a 'Careers and Employability Service', to work with senior managers in educational establishments to agree a programme of enhanced careers and employability support to young people aged 15 – 19 identified as at risk of becoming NEET.

### **ESF: Future calls schedule**

The following calls are now live in the D2N2 area;

- Technical Construction Skills for the Unemployed with a call value of £2,000,000 of ESF. The closing date for this call is 1 October 2019
- Intensive support for Young People with Additional Needs who are not in Education, Employment or Training with a call value of £494,784 of ESF. The closing date for this call is 27 November 2019
- Youth Employment Initiative national call with a D2N2 focus on young people who are NEET in Nottingham City. This call closes on 26 September 2019

### **Closed ESF calls**

The following calls were made during the summer and early indications suggest applications were received against all specifications to bring additional resources to the existing skills and employment provision landscape

- 2 interlinked calls for the D2N2 Digital Skills programme – Investment Priority 1.1 Digital skills for the Unemployed and the Investment Priority 2.1 Digital Skills for the Employed programmes to a total value of £3,132,973 of ESF. The closing date for both calls was 18 July 2019
- 2 interlinked calls for the Investment Priority 2.2 programmes – the D2N2 Skills Access Hub and the Careers and Employability Hub to a total value of £3,922,181. The closing date for both calls was 1 August 2019.
- Investment Priority 1.1 Supporting progression into the Food and Drink Manufacturing Sector to a value of £1,100,000. The closing date for this call is 9 September 2019

## **7.3 The D2N2 Technical Assistance Service**

LEP officers have held a number of Technical Assistance workshops to raise awareness of funding opportunities and support organisations to make high quality applications and the development of rigorous delivery partnerships.

## **7.4 EAFRD**

In the D2N2 LEP area 19 Full Applications have been received to date with a grant request of £2.37m. 11 projects have been approved and contracted with a total grant value of £1.3m.

The Rural Payments Agency (RPA) are planning to allocate all remaining unallocated EAFRD growth funds into a National Reserve Fund (NRF) and all eligible LEP areas would be able to take part in the National Call. RPA plan to launch round 3 of the EAFRD Growth Programme from this NRF in September 2019.

LEP officers will work with RPA and the D2N2 Rural Reference Group to promote NRF opportunities and support businesses to make high quality applications aligned to LEP priorities.

## **8. NORTH DERBYSHIRE MANUFACTURING ZONE**

Board members may recall that following provision within the Budget in November 2017 for a Manufacturing Zone pilot in the East Midlands, D2N2 submitted a bid in August 2018 for a pilot in North Derbyshire. D2N2 and its strategic partners were awarded £220,000 of funding to accelerate development on key sites across three authorities in northern Derbyshire (Bolsover, North East Derbyshire and Chesterfield), with a recognised manufacturing heritage and presence and enable the area to benefit from potential investment associated with the development and maintenance of HS2.

Since the award of funding in January of this year, significant progress has been made to the project including the creation of a programme level governance framework which meets to drive progress and assess the work as it continues for the overall project alongside the three defined work streams. Consultants have been successfully commissioned and tendered for each work stream and the following companies are working on the following:

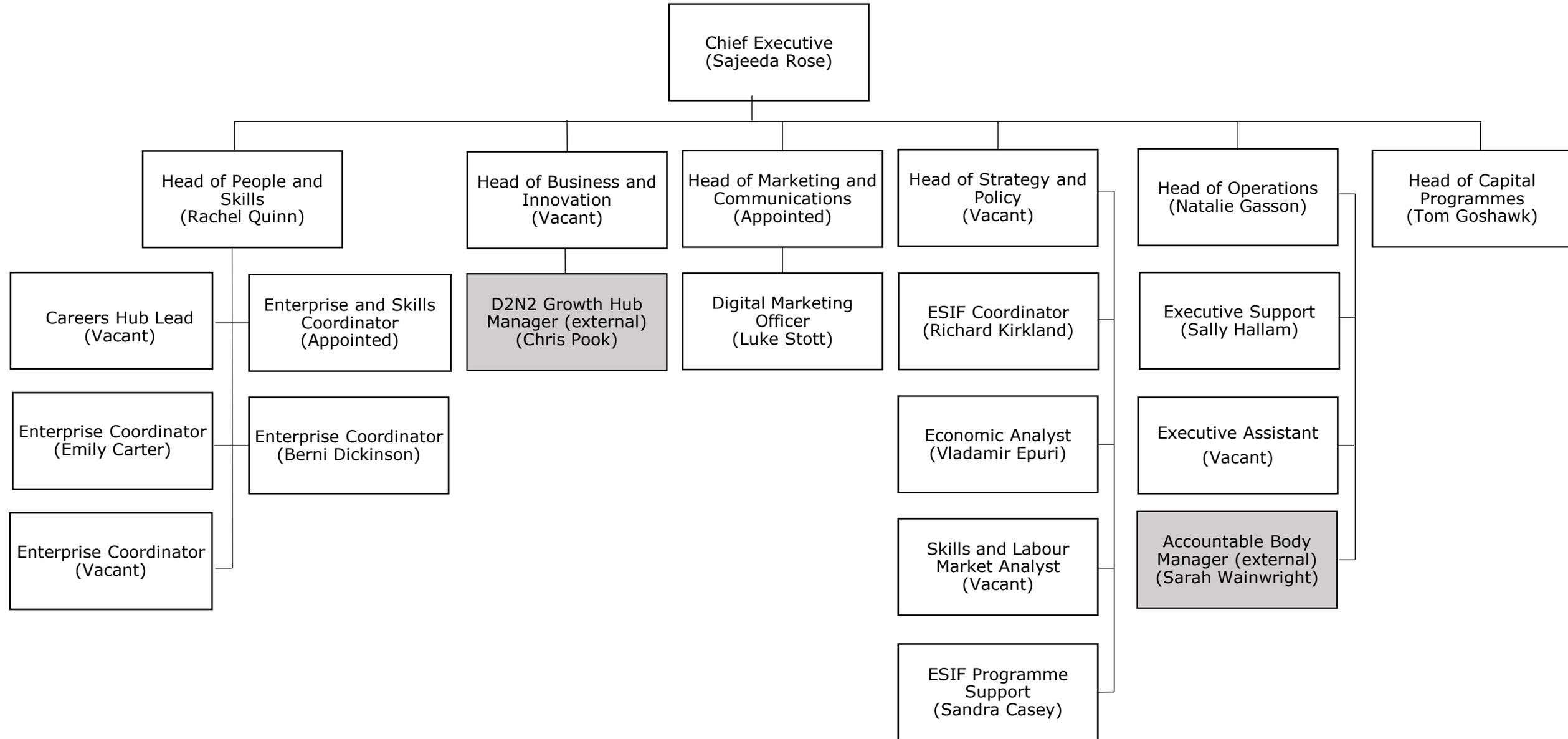
- Local Development Order - Stantec/PBA
- Commercial Design Guide - BDP
- Mobility Strategy - Aecom

Through the various working groups that have been established there will be further collaborative working between the District/Borough Councils and the commissioned consultants to achieve finalised reporting by March 2020.

The Government are keen to demonstrate the value and learning generated from the MZ, and its impact on driving manufacturing growth. They are also encouraging the sharing of learning across the three Midlands Engine Manufacturing Zones to further enhance their impact and inform future intervention. The Project Control Board provides written progress reports to the Government through the process and will conclude this in March 2020.

**Sajeeda Rose**  
**24<sup>th</sup> September, 2019**

# Item 2.2 Appendix C D2N2 LEP STRUCTURE



**D2N2 LOCAL ENTERPRISE PARTNERSHIP  
BOARD REPORT**

<b>DATE:</b>	24 September 2019
<b>REPORT LEAD:</b>	Sajeeda Rose
<b>AGENDA ITEM:</b>	3.1

<b>TITLE:</b>	Capital Programmes Performance Update
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## 1 Introduction

This paper provides an update on the performance of the D2N2 Capital Programme including the Local Growth Fund, Growing Places Fund and Enterprise Zones. The paper details the latest updates of all programmes as presented to the 30<sup>th</sup> of July Investment Board meeting.

## 2 Recommendation

The LEP Board are asked to **NOTE** this paper:

- Delegate approval of LGF schemes to the Chair and the Investment Board for the September and November 2019 meetings

## 3 Local Growth Fund (LGF)

### 3.1 Performance Update

Given the increased focus on performance on the back of the annual performance review we have agreed and set milestones with government to track performance of the programme and ensure that we deliver the targets for 2019/20. The new targets include the underspend from previous years.

We are confident that we are making good progress in achieving the targets set and will continue to monitor and track performance through the Investment Board.

A full review of the programme and in particular projects yet to be formally approved will be undertaken by the Investment Board at its meeting on the 30<sup>th</sup> of September 2019.

**The Financial Milestones agreed for this year are:**

	Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total 2019/20
Milestone target	£8M	£10M	£10M	£12M	£40M
Actual spend achieved to date	£8.4M	£15.8M			£24.2M
Forecast spend	£8.4M	£15.8M	£10M	£18M	£46M

The LEP and Accountable Body have worked with all projects to agree quarterly profiles to monitor ongoing progress.

The annual forecast of project spend currently stands at £46.39m. As of this date, D2N2 has released £24,295,759 as part of the Quarter 1 and 2 payments to projects.

**The output targets to be achieved by the 31/09/19 are:**

	Target 31/09/19	Achieved by 31/09/19	Full Year Forecast 19/20
<b>Jobs created</b>	300	40	1,396
<b>Learners</b>	500	12	480

D2N2 will continue to monitor the projected spend and outputs of projects quarterly against actuals to ensure that the LEP reaches its end of year targets and will highlight any risks to achieving the performance targets to both the Investment Board and main Board. Quarter 1 monitoring for the LGF projects will be received after the end of June and will therefore be reported to the September Board.

A programme overview with a RAG rating on progress and performance is included as Appendix A to this paper, with a specific highlight on the two high risk projects within the programme.

### **3.2. Local Growth Fund Evaluation**

In line with the recommendations of the D2N2 Improvement Plan as agreed with colleagues from the Department for BEIS, D2N2 has now conducted a tender process to seek consultancy assistance to conduct an independent assessment of the Local Growth Fund projects and programmes to date. This exercise is being undertaken to review the programme and projects across the Local Growth Fund programme as well as to inform any future funding calls that may come forward such as the UK Shared Prosperity Fund.

After a competitive tendering exercise, Focus Consultants have been commissioned to begin the work and will progress through the work in the following months, presenting their eventual findings to the Investment Board and LEP Board.

### **3.3 Local Growth Fund Pipeline**

As the Local Growth Funding is drawing to a close, all of the £250m allocated to D2N2 through the three funding rounds needs to be fully committed and spent by March 2021 or the LEP risks having to return the unspent funding to the Government.

In order to prepare for any possible underspend which needs to be utilised, we announced a call for both short- and medium-term projects to come forward and be assessed for potential funding. We received a combination of 26 short term projects for spend by March 2021 and 32 Medium term projects for investment between 2021-2025.

All the projects have been independently scored and verified by Thomas Lister Regeneration specialists and will be presented to the Investment Board on the 30<sup>th</sup> of September.

The main focus will be on the short-term projects should any of the existing projects in the Local Growth Fund programme not be able to spend or deliver outputs before March 2021.

In relation to the medium term projects the Investment Board will be provided with an overview of the schemes that have come forward with a view to agreeing how these should be taken forward in the absence of any future funding certainty.

### 3.4 Delegation to the Investment Board

Within the Terms of Reference for the D2N2 Investment Board all decisions by the Investment Board must be ratified by the LEP Board.

Due to timings of the remaining scheduled meetings for the 2019 calendar year, the Investment Board will take place within the fortnight after the LEP Board meaning that ratification will be delayed and projects may not be able to progress at the same speed as profiled once approved by the Investment Board. Therefore the D2N2 LEP Board is requested to delegate full decision making to the Chair and Investment Board and remove the need for the ratification process at the September 30<sup>th</sup> and November 29<sup>th</sup> Investment Boards.

Dates for 2020 meetings have been set to ensure the sequencing fits better with the board dates.

**Recommendation: Board approve delegation to the Investment Board to approve all decisions made at the September and November Investment Board Meetings.**

## 4 Growing Places Fund (GPF)

### 4.1 GPF overview

To date, 8 loans have been approved totalling £11,093,000 from rounds 1 and 2. One project is currently under review from round 3 of the Growing Places Fund and is working through the external due diligence process to bring forward a funding decision to the November meeting. The Guildhall project has been removed from the due diligence process due to a lack of response from the promoter, the promoter has now been informed of the removal from the pipeline and their potential allocation will be returned to the unallocated section of the Growing Places Fund.

A summary of the overall funding position is set out below:

<b>D2N2 Capital Allocation</b>		<b>£24,348,668</b>
Loans		
Boots NEZ	-£5,000,000	
Prometheus	-£240,000	
Derby Magistrates Court	-£515,000	
Castleward	-£850,000	
DSF Pipeline	-£2,150,000	
LIME House	-£180,000	
Medicity	-£600,000	
Marble Hall	-£1,500,000	
Total		-£11,035,000
Funds Unallocated		£13,311,668
Funds Returned (Principal)	£884,023	
<b>Subtotal</b>		<b>£14,197,691</b>
<b>Projects under review</b>		
J26	£2,000,000	
<b>Total available</b>		<b>£12,197,691</b>

<b>D2N2 Capital Allocation</b>		<b>£24,348,668</b>
<b>Interest Available</b>		<b>£607,047</b>

## **4.2 GPF Review**

Blue Sky Corporate Finance have been commissioned to undertake a review of the existing finance available through the Growing Places Fund and present new potential products to the LEP which would be alternatives to utilise the remainder of this funding. Blue Sky have consulted with various stakeholders across the area including lead council officers, place marketing organisations, business membership organisations and key local businesses to inform the emerging options.

Following the conclusion of this process a set of options and final outcomes will be delivered to the Investment Board in November 2019 for consideration, with the aim of producing next steps for the fund.

## **5 Enterprise Zones**

### **5.1 Enterprise Zone Review**

D2N2 has commissioned Cushman and Wakefield (C&W) to undertake a review of the Enterprise Zones to date as well as a forward looking perspective of potential growth in the sites. C&W will present the initial findings of the review to the Place Board on the 1<sup>st</sup> of November and will continue to work towards a finalised report following any feedback on the draft from this point.

The finalised report is anticipated to be presented to the LEP Board at the November meeting.

## Appendix A High Risk Projects

Two projects remain on the high risk register as part of the programme overview, these projects are:

Project	Why is this high risk?	Mitigation	LGF Amount	Action for IIB
A61 Corridor  Derbyshire County Council	Delays in the submission of the project's business case have led to multiple phases not delivering against projected spend.	<p>The promoter has provided previous updates to the IIB on progress and has had approval for a Pre-Compliance Agreement to support the development of the full corridor development.</p> <p>The IIB formally replaced the Whittington Moor element of the programme at the February IIB with a new project at Clowne.</p> <p>The project will now be monitored against the milestones provided for each element at the March meeting of the IIB.</p>	£15.64M	<p>The Investment Board will continue to monitor the progress of the delivery of various elements for the project.</p> <p>The Investment Board are due to consider business cases for two elements of the project on the 30<sup>th</sup> of September 2019.</p>
Newark Southern Link Road  Newark and Sherwood District Council	This has been put at high risk due to output targets being missed and uncertainty over match funding contributions for the completion of the road.	The applicant made a submission to the Housing Infrastructure Fund which was not successful. The applicant is now working with Homes and Highways England alongside D2N2 to look for potential solutions to the issue. The project is undergoing a financial review of the viability of the project and Homes England are assessing the ask to the site. The work is anticipated to continue throughout this calendar year.	£7M	The LEP continue to meet with the project promoter alongside other partners. A full update on the project was received by the IIB in February.

**Appendix B - Programme Overview**

<b>Project Name</b>	<b>Project Sponsor</b>	2019/20 Funding	LGF Award (£m)	Approval Status	LGF Expenditure to be achieved in 2019/20 FY	LGF Expenditure being achieved before March 2021	Scheme Delivery not in line with project plan	Output Delivery not in line with agreed profile	Other Comments
Chesterfield Centre for Higher Level Skills	University of Derby		3.48	Approved					Project Open - Outputs being monitored
Vision University Centre	West Notts College		2.61	Approved					High Risk - Project is not delivering against anticipated output targets
Bioscience Expansion	Nottingham City Council		6.50	Approved					Project Open - Outputs being monitored
The Spot	Derby City Council		0.71	Approved					Project Open - Outputs being monitored
Medicity	Medicity		0.74	Approved					Project Open - Outputs being monitored
Ada Lovelace House	Ashfield District		0.14	Approved					Project Open - Outputs being monitored
Bulwell Market	Nottingham City Council		0.10	Approved					Project Open - Outputs being monitored
Dakeyne Street	Nottingham City Council		0.18	Approved					Project Open - Outputs being monitored
Sutton Indoor Market	Ashfield District		0.38	Approved					Project Open - Outputs being monitored
Sherwood Energy Village	Coalfields Regeneration Trust		0.50	Approved					Project Open - Outputs being monitored
Harworth Access Road	Nottinghamshire County		1.10	Approved					Project Open - Outputs being monitored
Seymour Link	Derbyshire County Council		2.52	Approved					Project Open - Outputs being monitored
Cycle City Ambition package in Nottingham	Nottingham City Council		6.10	Approved					Project Open - Outputs being monitored
A57/A60 Junction Worksop	Nottinghamshire County		1.83	Approved					Project Open - Outputs being monitored
Institute for Advanced Manufacturing	University of Nottingham		5.00	Approved					Project Open - Outputs being monitored
Sherwood Visitor Centre	RSPB		0.50	Approved					Project Open - Outputs being monitored
Southern Growth Corridor	Nottingham City Council		6.12	Approved					Project Open - Outputs being monitored
Rail Research and Innovation Centre	University of Derby		0.90	Approved					Project Open - Outputs being monitored
Derby College Technology Hub	Derby College		1.30	Approved					Project Open - Outputs being monitored
Infinity Park	Derby City Council		12.995	Approved					Project Approved - In Construction
Nottingham Broadmarsh/Southern Gateway	Nottingham City Council	10	25.30	Approved					Project Approved - In Construction
Newark Southern Link Road	Newark and Sherwood District		7.00	Approved					High Risk - Project is not delivering against anticipated output targets and funding remains to be determined for the conclusion of the road
Derby Cycling and Placemaking	Derby City Council	0.09	1.65	Approved					Project Open - Outputs being monitored
Our City Our River, Derby	Derby City Council	2.5	12.00	Approved					Medium Risk - The project is not delivering against outputs as profiled
Derbyshire Broadband	Derbyshire County Council		2.19	Approved					Project Open - Outputs being monitored
Nottinghamshire Broadband	Nottinghamshire County		2.63	Approved					Project Open - Outputs being monitored

<b>Project Name</b>	<b>Project Sponsor</b>	2019/20 Funding	LGF Award (£m)	Approval Status	LGF Expenditure to be achieved in 2019/20 FY	LGF Expenditure being achieved before March 2021	Scheme Delivery not in line with project plan	Output Delivery not in line with agreed profile	Other Comments
D2N2 Sustainable Travel programme	D2N2 Wide		5.80	Approved					Project Open - Outputs being monitored
Enterprise zone sustainable transport package	Nottingham City Council		6.00	Approved					Project Open - Outputs being monitored
A52 Wyvern	Derby City Council		6.72	Approved					Project Approved - In Construction
Coalite	Derbyshire County Council		5.80	Approved					Project Approved - In Construction (Outputs recently reprofiled following external circumstances)
A46 Corridor	Rushcliffe Borough		6.25	Approved					Medium Risk - The project is yet to deliver business cases for the final two elements of the project
Midland Mainline	D2N2 Wide		5.00	Approved					Project Open - Outputs being monitored
Buxton Crescent	Derbyshire County Council		2.00	Approved					Project Approved - In Construction
Silk Mill World Heritage Site	Derby City Council	0.63	3.70	Approved					Project Approved - In Construction
Nottingham City Hub	Nottingham College	12.73	30.00	Approved					Project Approved - In Construction
N2 Town Centres	Nottinghamshire County	2.75	7.63	Approved					High Risk - The project is yet to deliver business cases for the some of the remaining elements of the programme and is unlikely to achieve this years targeted spend and output delivery.
Nottingham Castle	Nottingham City Council		5.00	Approved					Project Approved - In Construction
Vesuvius	Dooba Developments Ltd		4.49	Approved					Project Approved - In Construction
Riverside Business Park	Litton Properties Ltd	2.04	3.35	Approved					Project Approved - In Construction
NTU MTIF Centre	Nottingham Trent University	3.86	9.70	Approved					Projects 1st phase approved, second phase Sept 19 approval
Gedling Access	Nottinghamshire County	1.80	10.80	OBC approved					Project is awaiting approval at the November meeting, slight delay due to outstanding secretary of state approval.
Becketwell	Derby City Council	1.08	8.12	OBC approved - pre comp agreement					The project is on track for a March 2020 FBC delivery with key milestones achieved towards this deadline
A61 Corridor	Derbyshire County Council	4.43	15.60	Partially approved					High Risk - The project has delivered two phases of business cases for the September Investment Board.
Ashbourne Airfield	Derbyshire County Council	1.00	1.00	Awaiting FBC					Amber Risk - The project is yet to deliver the final business case to the LEP, this is anticipated in November with progress towards this date.
Castleward	Derby City Council	0.76	1.51	Awaiting FBC					Amber Risk - The project is yet to deliver the final business case to the LEP, this is anticipated in March 2020
Woodville-Swadlincote Regeneration route	Derbyshire County Council	1.60	6.40	Awaiting FBC					High Risk - The project is at risk of not being able to deliver the business case in time to achieve the full spend of its LGF allocation due to outstanding land assembly
HS2 Strategic Sites	Chesterfield Borough	1.00	2.40	Awaiting FBC					Amber Risk - The project is yet to deliver the final business case to the LEP.
Derby New Assembly Rooms	Derby City Council		4.48	OBC approved					Amber Risk – The project is scheduled to be considered at the September Investment Board Meeting



## Item 3.2 Development Corporation Update



### Midlands Engine Development Corporation (East Midlands)

#### Briefing Note – 24 September 2019

##### 1. Programme Team

Since the D2N2 Board meeting in July 2019, the core programme team have now all moved into Trent Bridge House, West Bridgford, Nottingham, alongside the wider Midlands Engine team.

The core programme team, includes resource allocations from a number of partner organisations including:

- Leicestershire County Council;
- North-West Leicestershire District Council;
- Rushcliffe Borough Council; and
- Uniper.

Working alongside the consultant team. The emerging outputs are due to be discussed at the Development Corporation Executive Group and Oversight Board meetings in September and are summarised below.

##### 2. Commission 1 – Vision and Narrative

The procurement process for Commission 1 concluded during July 2019 and internationally renowned consultants, Wolff Olins, were the successful practice appointed to deliver the vision and narrative commission.

During August Wolff Olins have undertaken several meetings and telephone interviews with key stakeholders and leaders and more are planned in the autumn as the vision is shaped. These are helping inform their emerging options on the vision and narrative. This workstream is also expected to give early consideration to the creation of an appropriate name for the initiative. In parallel, the vision and narrative for each of the three sites in scope in the Development Corporation has continued to develop, building on earlier work.

##### 3. Commission 2 – Strategic and Economic Case

Arup with AMION and Cushman & Wakefield, continue to work on finalising their baselining for the strategic and economic case. This includes analysis of sectors, productivity and forecasts. The team are working closely with Wolff Olins to establish some initial visionary propositions for the area. Importantly, the development of the evidence base is taking place alongside the preparation of Local Industrial Strategies in the regions' three LEPs. The consultant team are taking these emerging strategies into account to ensure there is strong strategic alignment with the economic case underpinning the Development Corporation programme.

#### 4. **Commission 3 – Route Map and Legal Structure**

Grant Thornton and Pinsent Masons have been reviewing the different models of development corporation and working on 'hybrid' structure and associated governance arrangements for an interim arrangement. This is due to there being no clear off the shelf solution that meets the likely requirements.

#### 5. **Stakeholder Engagement**

Stakeholder engagement is key to this programme of work and the team are in the process of building a stakeholder engagement strategy, following the work carried out by Martin Done, which was shared at the last Development Corporation Executive Group meeting on 17<sup>th</sup> July 2019.

Whilst this strategy is formalised, stakeholder engagement is ongoing with partners across the region and meetings are taking place with the LEPs, the University sector, local authorities and the site promoters.

#### 6. **Future Project Governance Meetings**

##### Executive Group Meetings

18 <sup>th</sup> October 2019	-	1.30pm-3.30pm
15 <sup>th</sup> November 2019	-	10am-12pm
5 <sup>th</sup> December 2019	-	2pm-4pm
16 <sup>th</sup> January 2020	-	10am-12pm
13 <sup>th</sup> February 2020	-	10am-12pm
19 <sup>th</sup> March 2020	-	10am-12pm

##### Oversight Board Meetings

20 <sup>th</sup> September 2019	-	10am-12pm
25 <sup>th</sup> November 2019	-	10am-12pm
24 <sup>th</sup> February 2020	-	2pm-4pm

**D2N2 LOCAL ENTERPRISE PARTNERSHIP  
BOARD REPORT**

<b>DATE:</b>	24 September 2019
<b>REPORT LEAD:</b>	Andrew Pritchard
<b>AGENDA ITEM:</b>	3.3

<b>TITLE:</b>	HS2 Update Report
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1. This report provides an update for the D2N2 Board on latest development with HS2.
2. The new chairman of HS2 Ltd Allan Cook published his 'stocktake' on the progress of the project on the 3<sup>rd</sup> September 2019. He report confirmed that:
  - The cost of Phase 1 (London to Birmingham) will rise from £27 billion to £36-£38 billion, and will be completed between 2028-31 – rather than by 2026;
  - Phase 2a (Birmingham to Crewe) should be incorporated into Phase 1, and costs will rise from £3.5 billion to £3.6-4.0 billion;
  - The coast of Phase 2b (Crewe to Manchester & Birmingham to Leeds via the EM) will rise from 28.6 billion to £32-£36 billion and will be completed between 2035-2040 rather than by 2033; and
  - There is an opportunity to look at delivering Phase 2b in smaller sections – linked to the delivery of NPR and Midlands Connect priorities.
3. The report went on to stress that the benefits of HS2, both nationally and locally, were significantly underrepresented in the Government's 'green book' economic appraisal methodology. Allan Cook's full report is available at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/828771/hs2-chairmans-stocktake.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/828771/hs2-chairmans-stocktake.pdf)
4. This 'stocktake' will feed into a wider review of HS2 commissioned by the Prime Minister which is being led by Doug Oakervee (a former Chair of HS2 Ltd) and comprising the following panel members:
  - Doug Oakervee (Chair)
  - Lord Berkeley (Deputy Chair)
  - Andy Street (WMCA Mayor)
  - Cllr Patrick Harley (Leader of Dudley MBC)
  - John Cridland (Chair of Transport for the North)
  - Michele Dix
  - Stephen Glaister
  - Sir Peter Hendy
  - Andrew Sentance
  - Tony Travers
5. The Review Panel will make recommendations within 6 to 8 weeks on whether HS2 should go ahead and if so in what form, for a 'go/no go' decision by Government the end of the 2019. The full terms of reference for the review are available at:  
<https://www.gov.uk/government/publications/hs2-independent-review-terms-of-reference/terms-of-reference-for-the-independent-review-of-hs2>
6. There is no representative from either the East Midlands or Midlands Connect/Engine on the Review Panel. As a result, the East Midlands Strategic Board chaired by Cllr Kay Cutts MBE has made a submission direct to the Panel summarising the evidence base

underpinning the East Midlands HS2 Growth Strategy, and making the wider economic base for delivery of the Eastern Leg of HS2. The submission is set out in Appendix 1 of this report.

7. The East Midlands submission will complement a wider strategic response by Midlands Connect which will reference key elements of the Midlands Engine Rail prospectus launched in Derby on the 12<sup>th</sup> September 2019, and place-based submissions from the West Midlands Combined Authority and the Constellation Partnership (Crewe, Stoke and Staffordshire).
8. Transport for the East Midland (TfEM) has as resolved to write in support of the East Midlands submission, as have a number of MPs. There is an opportunity for the D2N2 Board and business stakeholders to do similar over the coming days.

6<sup>th</sup> September 2019

Douglas Oakervee  
Independent Chair, Oakervee Review  
Albany House  
94-98 Petty France  
London  
SW1H 9EA

Dear Douglas

### **OAKERVEE REVIEW: SUBMISSION FROM THE EAST MIDLANDS**

Further to your recent meeting in Birmingham, we have summarised below the key elements of the evidence base that has underpinned our work on HS2 in the East Midlands. Our submission complements the regional response made by Midlands Connect, and those from the West Midlands Combined Authority and the Constellation Partnership which focus on the other station locations in the Midlands.

Further detail on specific issues is set out in the Technical Annex which accompanies this letter. If you require any further information at this stage, please do not hesitate to contact us.

Our East Midlands HS2 partnership comprises a cross-party group of County, Borough, District and City Council Leaders, two Local Enterprise Partnerships, the East Midlands Chamber of Commerce, Midlands Connect and a range of other stakeholders. Over the last five years we have worked on a collaborative basis to develop a coherent vision for how we can maximise the economic benefits of HS2, supported by increasingly detailed delivery plans.

The East Midlands has suffered from poor rail connectivity and increasingly over-crowded trains for too long. Rail travel is currently not an attractive option for many journeys across the Midlands and the North, for example between Nottingham and Birmingham, Nottingham and Leeds, and between Leicester and Leeds. This lack of connectivity limits labour markets and reduces business efficiency. Assessments undertaken by Network Rail to inform its long term planning process have concluded that despite recent investment, many of the routes serving the East Midlands will become increasingly overcrowded and congested in the 2020s without the addition of new rail capacity. **(1)**

HS2 connectivity is therefore critical to the economic success of the cities, towns and villages that make up the East Midlands, and to efforts to re-balance the UK economy. In the East Midlands alone, HS2 will deliver an additional £4 billion of GVA and 74,000 new jobs. It must be delivered in full and as early as possible.

#### **HS2 Eastern Leg: Bringing the Midlands, the North & Scotland together**

The Eastern Leg of HS2 (part of Phase 2b) will run from Birmingham Curzon Street to Leeds, via Birmingham Interchange (UK Central) the East Midlands Hub at Toton, Chesterfield and Sheffield. After Leeds, HS2 trains will be able to continue along the East Coast Main Line to York, Darlington Durham and Newcastle, with potential to extend up to Edinburgh, the Scottish capital.

HS2 Eastern Leg will transform connectivity for an area of 15 million people, containing six of the UK's top ten biggest cities and a combined economy already worth over £320 billion, with key strengths in advanced manufacturing, financial services, construction, biotechnology and higher education.(2)

The transformative connectivity improvements resulting from HS2 Eastern Leg will help to integrate the local economies of the Midlands, the North and Scotland and provide the basis for a rebalancing of the UK economy away from over-reliance on London and the south east of England.

Independent analysis undertaken for the HS2 East Partnership has indicated that over 60% of the economic benefits of HS2 Phase 2 will arise on the Eastern Leg.(3) De-scoping or delaying the Eastern Leg of HS2 will at best massively reduce the positive impacts of the Government's investment in HS2, and at worst jeopardise the viability of the whole project. It would also seriously undermine local efforts to improve east-west connectivity by conventional rail in both the Midlands and the North and the Midlands through the Midlands Rail Hub and Northern Powerhouse Rail initiatives - as highlighted by the 'Connecting Britain' campaign. (4)

From an East Midlands perspective, failure to proceed with the Hub Station at Toton, HS2 connectivity for Chesterfield or the Staveley Infrastructure Maintenance Depot would result in a huge amount of abortive work by local stakeholders, but more importantly severely handicap our ability to deliver increases in productivity, job growth and housing supply in the national interest.

Given the scale of the economic benefits it will deliver, instead of delaying the delivery of Phase 2b as recently recommended by the Chair of HS2 Ltd, the Panel should examine ways to expedite the delivery of the Eastern Leg in particular, including the case for a phased opening of the line to enable interim services to run between Birmingham and the East Midlands prior to completion of Phase 2b.

### **The East Midlands HS2 Growth Strategy**

In September 2017, we published our East Midlands HS2 Growth Strategy, setting out proposals to use HS2 connectivity to drive our long term economic growth rate above the UK average equivalent to an additional 74,000 jobs and £4 billion GVA by 2043.(5)

We undertook a comprehensive 'Economic Opportunities Assessment', underpinned by independent analysis from Cambridge Econometrics, to determine the best approach for maximising local growth opportunities - focussing on the D2N2 and Leicester & Leicestershire LEP areas.(6) This combined area already comprises 3.15 million people, over 100,000 businesses and £65 billion of GVA.

We went back to first principles and looked at the drivers that are likely to shape economic growth over the coming decades. Our analysis suggested that by targeting some of our key sectors that we know can benefit from HS2 connectivity, in particular manufacturing, technology and high value business services, we can massively boost employment growth and help to close the gaps in our economy post Brexit. This approach is consistent with and complementary to the Government's Industrial Strategy and Midlands Engine Strategy.

Whilst the development adjacent to the East Midlands Hub Station will be crucial, our work has confirmed that around 80% of the economic benefits of HS2 in the East Midlands will be realised in surrounding localities, in particular:

**Derby:** a city of world class automotive, rail and aerospace technology sectors. Home to Rolls Royce, Bombardier and Toyota and a thriving network of highly specialised manufacturing SMEs.

**Leicester:** a vibrant, diverse city with a strong record of SME formation and major growth potential. Home to the National Space Centre and a burgeoning space technology sector.

**Nottingham:** a city of thriving business services, biotech and leisure sectors and flagship companies like Experian and Boots, underpinned by world class public transport and local energy systems.

**East Midlands Airport and Freight Interchange:** the biggest freight airport outside of London and home to DHL. The new East Midlands Gateway Freight Interchange is already generating thousands of new jobs.

**Loughborough:** a national centre for sport and sports science. The Loughborough University Science and Enterprise Park forms part of a successful Enterprise Zone.

**Peak District National Park and Derwent Valley Mills World Heritage Site:** the most visited national park in England, adjacent to the cradle of the industrial revolution.

**Mansfield/Ashfield:** key regional service centres with strengths in manufacturing and logistics.

**Chesterfield:** an historic and well connected railway town with a strong engineering economy, both a visitor destination and gateway, and with huge latent development potential.

There are also a range of growth and regeneration opportunities along **the A52 corridor between Derby and Nottingham:** Castle Ward, Pride Park and Raynesway on the Derby side and the Nottingham Enterprise Zones sites - Alliance Boots in Beeston, Beeston Business Park and the Nottingham Science Park.

Key to realising these growth opportunities will be effective regional and local connectivity to the HS2 network.

The East Midlands Hub Station at Toton will already be the best connected new HS2 station outside London, with seven High Speed services per hour (in both directions) and seven conventional rail services per hour connecting Derby, Leicester, Nottingham and Loughborough to the HS2 network.

We are working with Midlands Connect to develop an enhanced package of conventional rail connectivity linking the Hub Station to locations such as Mansfield, Newark and Lincoln.

Our work with Midlands Connect has also confirmed a strong business case for new HS2 conventional – compatible rail services running from Bedford to Leeds via Leicester and Loughborough and between Nottingham and Birmingham, which will radically reduce existing journey times and enable the Midland Main Line between Leicester and the Hub Station to be electrified, which will benefit conventional rail services.

We are keen to explore emerging proposals from the Williams Review to integrate the management of track and train at a regional level to fully integrate HS2 into the conventional rail network, including

by completing electrification of the Midland Main Line and rolling out the electrification of regional rail services.

With support from Midlands Connect, we are also working to develop proposals for local transport interventions, including linking the Hub Station to the existing NET tram network which serves the Nottingham University Campus, the Queens Medical Centre and the NG2 Business Park, a network of new bus and coach services, and local highway, cycling and walking routes.

### **Development opportunities in and around Toton**

The area adjacent to the East Midlands Hub Station at Toton in Nottinghamshire represents a 'once in a lifetime' development opportunity. To capitalise on the location's 'super-connectivity' we have exciting proposals for a high quality 'Innovation Campus' linked to our university sector. This garden village development will deliver 18,000m<sup>2</sup> of commercial space, over 10,000 high quality jobs, up to 3,500 new homes, and a range of new community facilities that will benefit existing and future residents – resulting in a GVA uplift of £1.2 billion. It will be an inspiring 21st Century Gateway to the East Midlands and a destination in its own right. **(7)**

The development principles underpinning the Innovation Campus have been incorporated into statutory planning policy through the recent review of the Broxtowe Local Plan, and the relevant parties are now working together on a detailed masterplan to provide a framework for investment.

Local partners led by Nottinghamshire County Council are also working with Government to secure the delivery of enabling infrastructure through the Housing Infrastructure Fund (HIF) to support development on the site in advance of HS2 - with a decision on the scale of funding expected later in 2019.

The 'Innovation Campus' will sit at the heart of a number of major development opportunities that will include the nearby Chetwynd Barracks 'garden village'; the Ratcliffe-on-Soar Power Station site (due to become available in 2025) and the area around East Midlands Airport.

Given the collective scale of these opportunities, the Government had made available funding via the Midlands Engine to explore the establishment of a 'Locally Led Development Corporation', with the objective of accelerating development and maximising growth potential. A programme of technical work is currently underway reporting to an 'Oversight Board' of local stakeholders led by Sir John Peace as Chair of the Midlands Engine. Detailed proposals are due to be presented to Government in early 2020.

### **Development opportunities in and around Chesterfield and Staveley**

The prospect of a HS2 connection at Chesterfield Station is already driving major regeneration of the town centre and adjacent commercial areas. The potential benefits of HS2 for the Chesterfield area include:

- Better connectivity for the one million people already living within 30 minutes of the station;
- 4,740 new homes and 10,220 new jobs;
- £270m net additional GVA; and 176 ha of brownfield land brought back into use; and
- Establishing an international gateway into the Peak District National Park.

A comprehensive Chesterfield HS2 station master-plan has been developed to provide a framework for public and private investment **(8)**, which will be given statutory weight through incorporation into the adopted Local Plan in 2020.

A new HS2 Infrastructure Maintenance Depot (IMD) at Staveley will help generate hundreds of new high quality engineering jobs within some of the most deprived communities in England. In the short term, the Depot could also provide a construction base for HS2 to align with the current plans to make the nearby Barrow Hill Roundhouse a rail industry 'centre of excellence' linked to the High Speed Rail College and the research and development capabilities of the Universities of Newcastle and Derby.

The prospect of HS2 co-investing in Staveley is already helping to energise landowners to bring forward a 150 hectare brownfield site, with planning applications already submitted for a new mixed-use housing and employment zone comprising around 1,500 homes and new leisure and commercial development around a revitalised Chesterfield canal.

Derbyshire County Council has also submitted proposals for a new road known as the 'Chesterfield-Staveley Regeneration Route', which will enable this major development to proceed in parallel with HS2's investment in the IMD. The road scheme is one of just four that have been prioritised by Midlands Connect in July 2019 for 'Large Local Majors' funding from the Department for Transport for the period 2020-25.

The Chesterfield & Staveley Delivery Board has recently commissioned further technical work to establish the business case for increasing the HS2 service provision at Chesterfield to two stops per hour, and for using the Staveley IMD as a base for the construction of HS2.

### **Skills & Supply Chain opportunities**

The East Midlands is already home to a world class cluster of rail engineering SMEs and has been building trains for over 175 years. Regardless of when or where HS2 might be built, people and companies based in the East Midlands will benefit from HS2 investment. **(9)**

Through our Skills & Supply Chain Delivery Board, we have set out a strategy and action plan to maximise the benefits of HS2 for local people and businesses based around five key themes:

- inspiring our young people;
- building further education capacity;
- harnessing the power of our universities;
- supporting individuals; and
- ensuring our businesses are 'HS2 ready'

The Chamber of Commerce has established an East Midlands HS2 Business Forum comprised of industry leaders to make sure our SMEs are fully aware of the opportunities presented by HS2 and have the support to make the most of them – including hosting a number of well attended 'meet the buyer events' with HS2 Ltd.

Already over 125 SMEs from the region have secured contracts to help deliver the first phases of HS2. Companies like Bridgeway Consulting in Nottingham, who are assisting with enabling works in Euston and Birmingham, and Crowders Nurseries in Lincolnshire who are supplying seven million trees and shrubs for landscaping along the route.

Derbyshire County Council and Chesterfield Borough Council have recently launched a comprehensive programme of engagement with schools and colleges to ensure that our young people have the opportunity to benefits from new jobs resulting from HS2, entitled 'HS2 + You' **(10)** – which we are looking to roll-out across the East Midlands.

### **Mitigation**

Like any major infrastructure scheme such as Crossrail or Heathrow Expansion, HS2 will have negative consequences for some property owners and businesses. From an East Midlands perspective, the line of route through Long Eaton presents particular challenges, which we are working with HS2 Ltd, Network Rail and Midlands Connect to address.

Through our Mitigation Board we have established a clear mechanism for listening to the concerns of local people and engaging with HS2 Ltd to propose alternatives that can lead to a better outcomes. We made a comprehensive response to the Phase 2b Working Draft Environmental Statement consultation in December 2018 setting out a series of recommended changes to Government, supported by an independent technical assessment. **(11)**

Often these changes do not require more expenditure, and some can actually lead to significant savings - such as the proposal, now accepted, to move the line of route to avoid the M1 in Trowell in Nottinghamshire.

### **HS2: A big, bold and transformational intervention**

For the Midlands and the North of England, HS2 presents a once in a lifetime opportunity to re-balance the UK economy away from over-reliance on London and the south east. The Eastern Leg of HS2 is crucial to the economic success of Birmingham and the Black Country, Solihull, Leeds and South Yorkshire – not just the East Midlands.

A huge amount of energy has already been expended by local partners on exciting plans to maximise the economic opportunities presented by the Eastern Leg of HS2. This effort and commitment must not be wasted. Government must be prepared to match our ambition.

The scale of economic challenges facing the UK cannot be tackled by incremental 'business as usual' initiatives. Big, bold, transformational interventions will be required to close the gaps in economic performance and prosperity that have opened up across our regions and nations over many years, and to bring the country together post Brexit.

HS2 is just the kind of big, bold transformation intervention the UK needs right now. The Government must re-commit to building HS2, in full and as early as possible.

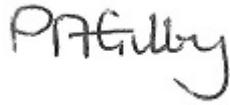
Yours sincerely



CLlr Kay Cutts MBE  
Chair, East Midlands HS2 Strategic Board  
& Toton Delivery Board



CLlr Simon Spencer  
Vice Chair East Midlands HS2 Strategic Board &  
Chair, Mitigation Board



CLlr Tricia Gilby  
Chair, Chesterfield & Staveley Delivery Board



Ian Greenaway  
Chair, Skills & Supply Chain Delivery Board



Ian Morgan  
Chair, East Midlands HS2 Business Advisory  
Group

Copies to:  
All East Midlands MPs  
Sir John Peace, Chair of Midlands Connect  
Andy Street, Mayor of the West Midlands  
CLlr Phillip Atkins, Chair of the Constellation Partnership  
Sir John Cridland, Chair of Transport for the North

## **Technical Annex**

- (1)** East Midlands Route Study, Network Rail, March 2016, available at:  
<https://cdn.networkrail.co.uk/wp-content/uploads/2016/11/East-Midlands-Route-Study.pdf>
- (2)** HS2 East: connecting potential, driving growth, July 2016, available at:  
<http://www.hs2east.co.uk/data/ckeditor/brochure/HS2-East-connecting-potential-driving-growth-4pp-July-2016.pdf>
- (3)** HS2 East Economic Benefits, Systra, October 2017, available at:  
[https://www.hs2east.co.uk/data/ckeditor/brochure/hs2\\_east\\_economic\\_benefits\\_study\\_2017.pdf](https://www.hs2east.co.uk/data/ckeditor/brochure/hs2_east_economic_benefits_study_2017.pdf)
- (4)** Connecting Britain, available at: <https://connectingbritain.co.uk>
- (5)** East Midlands HS2 Growth Strategy, September 2017, available at:  
[https://www.emcouncils.gov.uk/write/East\\_Midlands\\_HS2\\_Growth\\_Strategy\\_-\\_September\\_2017.pdf](https://www.emcouncils.gov.uk/write/East_Midlands_HS2_Growth_Strategy_-_September_2017.pdf)
- (6)** HS2 Economic Opportunities Study, Ekosgen, July 2016 (enclosed)
- (7)** Toton Area Masterplan - summarised under **(4)**
- (8)** Chesterfield Station Masterplan Presentation, Chesterfield Borough Council, July 2019 (enclosed)
- (9)** East Midlands HS2 Skills & Supply Chain Study, East Midlands Chamber, University of Derby & Rail Forum East Midlands, 2017 (enclosed)
- (10)** 'HS2+ You', Chesterfield Borough Council & Derbyshire Borough Council, 2019 (enclosed)
- (11)** Mitigation Scoping Study, SNC-Lavalin, November 2018 (enclosed)