D2N2 LEP BOARD – AGENDA  
Wednesday, 8 July 2020 (10.00am – 12 noon)  
By dial in via MS Teams (calendar invitation supplied)

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<tbody>
<tr>
<td>1.1</td>
<td>Welcome and Introductions</td>
<td>Verbal</td>
</tr>
<tr>
<td>1.2</td>
<td>Declarations of Interest</td>
<td>Verbal</td>
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<tr>
<td>1.3</td>
<td>Minutes of meeting 19/5/20 and matters arising</td>
<td>Paper</td>
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<tr>
<td>2.</td>
<td>Strategic discussion</td>
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<tr>
<td>2.1</td>
<td>COVID-19 Update Report</td>
<td>Sajeeda Rose/Will Morlidge</td>
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<tr>
<td>2.2</td>
<td>Chair’s Report, including:</td>
<td>David Williams, interim Chair</td>
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<tr>
<td></td>
<td>a) Local Industrial Strategy</td>
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<td></td>
<td>b) East Midlands Freeport</td>
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<td></td>
<td>c) Advisory Boards Update</td>
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<td>d) MPs roundtables</td>
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<td></td>
<td>e) Board recruitment update</td>
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<td>2.3</td>
<td>D2N2 Chief Executives Report, including:</td>
<td>Sajeeda Rose</td>
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<td>a) Skills Update</td>
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<td>b) Growth Hub Update</td>
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<td>c) ESIF Update</td>
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<td>d) Marketing and Comms Update</td>
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<td>2.4</td>
<td>Capital programme Performance Update</td>
<td>Sajeeda Rose</td>
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<td>• including ratifications of project approvals</td>
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<td>2.5</td>
<td>Capital Programme Additional item for approval – LGF Woodville Swadlincote</td>
<td>Sajeeda Rose/Tom Goshawk</td>
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<tr>
<td>2.6</td>
<td>Midlands Engine Development Corporation Strategic Business Case update</td>
<td>Adrian Smith</td>
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<td></td>
<td>Exempt item under Local Government (Access to Information) Act</td>
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<td>3.</td>
<td>East Midlands Freeport Presentation</td>
<td>James Patterson-Waterson, Vivid Economics</td>
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<td>• Overview of Freeports, draft consultation response and next steps</td>
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<td>Any other business</td>
<td>HS2 Update Report</td>
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Item 1.3: DRAFT Key Decision/Action Points from Board

D2N2 LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

Tuesday, 19 May, 2020

By Teams Dial-In

Chair Elizabeth Fagan, CBE
Minutes Sally Hallam

1. Present and Apologies

D2N2 Board Members in Attendance

Graham Cartledge Business Representative
Cllr Kay Cutts, MBE Leader, Notts County Council
Jane Howson VCS Representative
Cllr Barry Lewis Leader, Derbyshire County Council
Cllr David Mellen Leader, Nottingham City Council
Prof Kathryn Mitchell H E Representative
Cllr Chris Poulter Derby City Council
Emma Rigler Business Representative
Cllr Simon Robinson Rushcliffe Borough Council
Viv Russell Business Representative
Karen Smart Business Representative
Jayne Mayled Business Representative
Cllr Martin Thacker Leader, NE Derbys DCs
Dawn Ward, CBE F E Representative
David Williams Business Representative
David Wright Area Lead D2N2, BEIS
Susan Caldwell LEP Senior sponsor, DIT

Also in attendance

Mike Ashworth Director, Derbyshire County Council
Lee Hickin rep for N E Derbyshire DC
Nicki Jenkins rep for Nottingham City Council
Greg Jennings rep for Derby City Council
Scott Knowles CEO, East Midlands Chamber
Anthony May CEO, Nottinghamshire County Council

Officer Support

Sajeeda Rose Chief Executive, D2N2
Natalie Gasson Head of Operations, D2N2
Tom Goshawk Head of Capital Programmes, D2N2
Frank Horsley Head of Business and Innovation, D2N2
Will Morridge Head of Strategy and Policy, D2N2
Rachel Quinn Head of People and Skills, D2N2
Rob Harding Head of Marketing and Communications, D2N2
Apologies

Apologies were received from Board member, Paul Harris and from Peter Handford, Derbyshire County Council (s151 officer) and Sarah Wainwright.

1.1 Welcome and Introductions

The Chair welcomed attendees to the meeting, including LEP sponsor, Susan Caldwell.

1.2 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.

1.3 Minutes of last meeting and matters arising

The Minutes of the previous meeting held on 31 March, 2020 were confirmed as a true record.

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

2.1 COVI-19 co-ordination discussion

The Chief Executive introduced her report updating Board on D2N2’s response to supporting the economy, including an overview on the proposed recovery approach. She referred members to details contained within the report including analytical data, noting that it was still early in the evolution of the pandemic to fully understand and interpret the data that was currently available and to see evidence of impact.

Current efforts were focused on bringing together partners around the 4 national phases of support, from initial response (supporting businesses to access help, identifying gaps and issues), through restart (supporting businesses to restart safely and adapt to the different phases of re-opening) to recovery and rebuilding in the longer term.

Both the Covid Recovery Board and Analytical Groups were now up and running. Sajeeda invited Jayne Mayled, Chair of the D2N2 Covid Recovery Board to summarise initial work.

Jayne reflected the outcome of the first Board meeting, held on 12 May. Clear outcomes from that meeting showed a desire for a co-ordinated approach for the region, minimising duplication of effort.

The roles of innovation and procurement were identified as crucial in supporting regional recovery. LEP Sponsor, Susan Caldwell indicated that central Government was currently looking at critical supply chains and suggested D2N2 may potentially be in a position to bid to fill national gaps. D2N2 would work to maximise opportunities across the LEP area to assist with recovery including a co-ordinated Inward Investment Strategy.

Emerging thinking indicated that the recovery plan would need to consider elements mirroring the Local Industrial Strategy (LIS) in the context of recovery in particular, upskilling, clean growth initiatives, connectivity and inclusion. Work would be needed on addressing support for digital versus physical infrastructure in the new workplace and with this came acknowledgment of the need to factor in those people already digitally excluded and/or furthest from the labour market.
Prof Mitchell asked that the people and community impacts of Covid-19 be aligned with Towns Fund and Future High Street Fund bids.

A general discussion took place on the make-up of the LRFs and other recovery groups, reflecting from this Board the desire shown elsewhere not to duplicate efforts. Sajeeda Rose confirmed that whilst there will be some element of overlap between current groups which was being looked at to ensure coherence of the key messages, recovery groups comprised a mixture of upper tier and district officer representatives and other stakeholders rather than elected members.

Conversations had already been held with Derbyshire County Council on best use of complementary resourcing for support and talks would be held shortly with Nottingham and Nottinghamshire. Cllr Lewis requested a more detailed understanding of the LEP Recovery Group and how it would engage and interact with the LRFs across counties and cities to avoid duplication and ensure alignment on outcomes and activities.

Discussion also took place on the need to lobby Government cohesively as a region, with members updating the group where activity had been initiated.

Cllr Mellen reported that Nottingham City Council had written to Ministers.

Graham Cartledge had drawn attention to the importance of investment in this region during business meetings with UK Investment Minister, Lord Gerry Grimstone and Graham Stuart, MP, Parliamentary Under-Secretary of State at the Department of International Trade.

Elizabeth Fagan reported on representation in to central Government via the LEP Network, informing members that in response to ministerial requests for direct access to businesses, she and Greater Birmingham LEP Chair, Tim Pile would be hosting a joint East-West Midlands roundtable on Friday, 22 May with Ministers Nadim Zahawi and Simon Clarke and a group of businesses. Participants were currently being finalised with input from local LEPs.

The Chair also reported reaching out to Robert Jenrick for a meeting to discuss the challenges in Derby and the wider impact on D2N2.

Board NOTED this report.

**ACTIONS:**

- Will Morlidge and Frank Horsley to pick up on opportunities for D2N2 to assist with plugging gaps in national supply chain provision as part of LEP Inward Investment Strategy;
- Sajeeda Rose to discuss with Anthony May the involvement of D2N2 LEP as an economy cell on LRF groups.

**Item 2.2 Chair’s Report**

Elizabeth Fagan introduced her report updating members on significant developments since the last meeting, including:

i) the Local Industrial Strategy (LIS);
ii) Freeport Consultation;
iii) Advisory Boards update;
iv) Board recruitment update.

i) **LIS Update**
The Chair drew attention to the notes in the report. Unsurprisingly in light of the current pandemic, BEIS had asked LEPs to review their LISs considering the impact of Covid-19 and to take on the additional role of local economic recovery planning. The review would be done factoring in the Government’s agenda on levelling up.

ii) Freeport Consultation

Elizabeth Fagan reported that the consultation was progressing well, with papers expected in the coming days for the new Freeports Working Group which would be meeting. She thanked Karen Smart and other key business partners for their efforts to date in this matter.

iii) Advisory Boards Update

The Chair again drew attention to detailed notes in the report before inviting Advisory Board Chairs to add comments.

For the Business Growth Board, Viv Russell confirmed that talks had been taking between himself and Paul Harris who chaired the Innovation Board to progress the proposal to merge the two boards into one new entity. A further formal meeting would be held in a couple of weeks and this Board would be updated at the 8 July meeting on the revised governance model.

For the People and Skills Board, Prof Kath Mitchell reiterated the task of aligning several strands across the region, as outlined in the report. This included the digital skills strategy. LEP Sponsor, Susan Caldwell indicated that further information on this would be useful for her to feed in to central Government thinking.

For the Place Board, David Williams confirmed that they were on track with the 10 priorities, but that any changes to this list in light of current circumstances would need to be identified and acted on quickly to ensure Government was directed to support what could realistically be delivered.

iv) Board Recruitment Update

Elizabeth Fagan reminded Board that recruitment was under way for the replacement of two Board vacancies, with the first interviews taking place following today’s Board. Results would be confirmed to members at the July Board meeting.

Board NOTED the Chair’s report.

ACTION: Rachel Quinn to work with Prof Mitchell and Sajeeda Rose to produce a digital strategy briefing paper for Susan Caldwell.

2.3 Chief Executive’s Report

Sajeeda Rose presented her report updating Board on items including:

a) Delivery Plan 2020/21;
b) Annual Performance Review 2019/20 outcome;
c) Skills Update;
d) Growth Hub Update;
e) Inward Investment and Investor Development;
f) ESIF Update;
g) Marketing and Communications Update.
and referred members to the notes under each item.

She drew members’ attention to the detailed Delivery Plan within the papers, the final version of which had to be submitted to Government by the end of May, 2020 and which would form the basis of monitoring LEP activity and performance.

There was general agreement to the Plan, with no comments or issues raised.

On Skills delivery, the Chief Executive informed Board that careers and enterprise activity was still continuing strongly with good links being made and maintained between schools in the LEP area and local businesses, which was heartening.

The Growth Hub had taken on more covid-specific support work for businesses and Government had indicated an additional £270,000 funding for this activity.

With reference to the ESIF summary update, the Chief Executive informed Board that all projects had been seriously impacted with face to face support having been replaced with online provision. ESF and ERDF reserve funds were moving from supporting growth to survival and recovery. Work was continuing with the Managing Authorities to deploy funds where possible.

Board NOTED the report.
Board APPROVED the 2020/21 Delivery Plan for submission to Government.

2.4 Midlands Engine Development Corporation Strategic Business Case Update

Anthony May from Nottinghamshire County Council introduced a confidential report updating Board on the Midlands Engine Development Corporation Strategic Business Case.

Board RECEIVED the report.

2.5 Capital Programme Performance Update


Board AGREED to ratify and confirm the decision of the Investment Board to invest £3.8m of Local Growth Fund to the Chesterfield Station Masterplan Project.

Board AGREED to ratify and confirm the decision of the Investment Board to invest £3m of Local Growth Fund to the Top Wighay Farm Project.

Board NOTED the update of Live and Pipeline Projects in Annex A.

3. Any Other Business

Graham Cartledge expressed concern about the current situation with Nottingham’s Broadmarsh Shopping Centre development with news that owners, INTU were on the brink of administration. The ceasing of construction work on this major project would significantly impact the region, as would the inability to complete this significant brand project for the area.

Cllr Mellen for Nottingham City Council acknowledged and agreed with the concern. He confirmed to Board that talks were ongoing to ensure interests in the project were protected.
Cllr Cutts for Nottinghamshire County Council noted that delays in the project construction would continue to result in significant impact on transport routes from the south side of the city. She offered help on behalf of the County Council to the City Council, which Cllr Mellen acknowledged with thanks.

4. Date of next meeting

Wednesday, 8 July, 2020 (10.00am – 12.00 pm) – joining details to follow.
This report provides an overview on the following areas in relation to COVID-19:

1. D2N2 and partner response
2. Analysis of key findings:
   - Occupations
   - Employment
   - Unemployment
3. Update from the Economic Recovery Board (ERB)
4. Draft D2N2 Economic Recovery Framework

1. D2N2 and Partner Response

The D2N2 response to the crisis has been to focus our resources on supporting partner organisations and ensuring clear, coherent and consistent advice to help our business base. Support to date includes:

- Advising over 1,700 businesses on Covid-19 issues via the Growth Hub
- Creating a brokerage service to match people becoming unemployed to other sectors looking to recruit
- Flexing our existing programmes to refocus on short term survival and medium-term stability
- Helping our Towns Fund areas to assess the impact of Covid-19 on their plans, correctly anticipating updated Government guidance
- Mobilising our advisory boards to look for the risks and opportunities and reshaping priorities around the impact of covid-19
- Identifying short-term capital investments to stimulate economic recovery in response to a national call by MHCLG
- Identifying gaps in support and key challenges through regional and national channels;
- Through the LEP network facilitating a Midlands wide roundtable meeting of businesses chaired by the D2N2 Chair Elizabeth Fagan with Ministers Simon Clarke and Nadim Zahawi on the impacts of Covid-19 for the Midlands region.
- Developing a robust understanding of the impact on the economy through convening and facilitating the regions analytical capability and resources.
We are represented on the two Local Resilience Fora, their “economy cells” and the related groups supporting the two cities. We are developing data packs for cities and counties based on the work of the Analytical Group to help inform local decisions on the economic recovery.

Through the LEP Network we are also feeding into the national Economic Recovery Groups.

2. Analysis: key findings

In its first report the D2N2 Analytical Group considered the potential impact of C19 on occupations.

A summary of the Key findings are:

- While D2N2 occupations could be affected by virus containment measures, nearly 50% of all D2N2 jobs (490k jobs) are in occupations associated with education levels at or below NVQ level 2, and these have a below-average potential for remote working.
- These roles include elementary, skilled trades, sales and customer service roles.
- At least 20% of all D2N2 jobs (152k jobs) are at high risk, in that they are neither keyworkers nor easily carried out through homeworking. For example, of 136,000 roles in elementary occupations, only 2% appear suitable for homeworking, while 67% of management grades may be able to work from home.

Our second report is on sectors. Key findings include:

- Impact on sectors is broadly in line with national estimates, but there is geographical variation in D2N2. Around a quarter of the Derbyshire Dales and Newark & Sherwood workforce is in shut-down sectors.
- Young people and females are over-represented in shut-down sectors. Nottingham is particularly exposed in this regard, with almost double the national rate.
- GVA in D2N2 is projected to fall by more than the national average. The South Derbyshire economy could shrink by almost a half in the Q2 of 2020.
- Most of the projected output losses are caused by a decline in manufacturing, wholesale & retail, education and construction.
- Businesses expect the lockdown to have an immediate negative impact on their sales and investment by 42% and 43% respectively in Q2 of 2020.
- Businesses expect employment to decrease by 6% in the second quarter and 9.7% by the end of 2020.
- Recovery of sales, employment and investment to pre-crisis levels is not expected before Q2 of 2021.
- Employment effects lag other indicators because laying off workers is costly and may have been further dampened by the CJRS furlough measures.

*Expected impact on D2N2 employment by sector: Q4 2020*
On Unemployment, we project large discrepancies in D2N2 ranging from a low of 5.9% in Derbyshire Dales to a high of 17% in Nottingham. There will be higher impact on low earners, younger workers and women.

**Figure 3. Projected unemployment rate by local authority – Q2 2020**

Further work is underway with support from DWP to break down furlough and unemployment data to sector and distract to give us a clearer picture of the impacts on place.

3. **Update from the D2N2 Economic Recovery Board (ERB)**

The D2N2 Economic Recovery Board, Chaired by Jayne Mayled held its second meeting on 29th June. It was its first opportunity to review the outputs from the Analytical Group and the proposed recovery framework presented by D2N2.

The ERB has steered the Analytical Group to consider:

- What works in supporting young people about to enter a very difficult labour market?
- Can we demonstrate the impact of our business support offer?
- What’s the role of innovation and infrastructure in supporting a recovery?
- Can we produce more comparator data with other LEPs to make a strong case to Government about differences, challenges and opportunities here?

Colleagues at the University of Nottingham are part of a national effort to pull together advice and guidance on what works, which will provide a helpful resource to short-cut the next phase of work on identifying solutions to the problems we are identifying.
4. Draft D2N2 Economic Recovery Framework

We have developed a draft recovery framework to guide D2N2’s work on the recovery. This is founded, as always, on the principle of adding value.

The content is guided by the evidence from our Analytical Group and the analysis of the D2N2 Recovery Board on where the evidence should take us. The framework is built around the five “foundations of productivity” which underpin the National Industrial Strategy and ensure the read across to the D2N2 Local Industrial Strategy.

The framework is designed to build on the evidence as it emerges and focus on the outcomes we want to see achieved as a region. Given the stage we are in understanding the early impacts of the pandemic the document will evolve as our understanding improves.

Critically the next stage will include a gap analysis of existing and planned support to deliver the outcomes and identify where the key gaps in support emerge to inform future project and programme design. This will also be the basis of any future lobbying for investment.
IDEAS

**National industrial strategy perspective:** to help make the UK to be the world’s most innovative economy.

**Our recovery objective:** to ensure that businesses continue to invest in innovation to help them address short, medium and long term issues and opportunities.

**Relevant LIS propositions:**
- 1.2 Business support
- 1.3 Innovation

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| Ensure business continue to invest in R&D during the recession and seek to increase R&D investment and adoption of new technologies in the longer term | Short term:  
- Identify and share best practice in business innovation and adaptation to Covid 19  
- Identify low productivity firms and sectors who could benefit from the widespread adoption of digital tech and processes  
- Support the Universities for Nottingham’s proposals to increase support to businesses and entrepreneurs and align activities to seek economies of scale  
- Create a D2N2 script on the evidence/value of investing in R&D and skills during a recession |
| | Medium term:  
- Ensure the region more systematically identifies and takes advantages of new jobs, tech and ways of working by developing a stronger innovation network  
- Develop existing proposals for “Innovation Hubs” on key sites including Toton and Ratcliffe-on-Trent and seek to systematically align with skills initiatives such as Institutes of Technology  
- Inspire innovative and entrepreneurial behaviours by pupils and students in our schools, colleges and universities.  
- Accompany investment in innovation hubs/EZs with measures to ensure that the benefits they create are widely felt.  
- Encourage a strong focus on the potential to creation, adoption and commercialisation of tech that will contribute to our net zero carbon ambitions. |
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<td>• Identify and share best practice in business innovation and adaption to Covid 19</td>
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<td>• Identify businesses who have contributed to tackling Covid-19, share best practice and celebrate them</td>
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<td>• Develop a proposition for the “Industrial Strategy for PPE” to be led by the D2N2 region</td>
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<td>• Identify opportunities to embed and grow R&amp;D in health and MedTech</td>
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<td>• Identify the innovation-related occupations that are relevant across sectors and are in which there are labour shortages eg software developers, data analytics; work with the skills system to ensure relevant provision is in place</td>
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<td>Longer term:</td>
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<td>• Identify the potential to build b2b networks to support the adoption of innovative tech and practices</td>
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### 3. People

**National industrial strategy perspective:** to generate good jobs and greater earning power for all.

**Our recovery objective:** ensure that as we build back from the Covid-19 crisis we ensure that our current and future workforce and our education and training providers are able to play a full part in our employment skills revolution linked to automation, innovation and digitalisation.

**Relevant LIS propositions:**

- 1.1 Skills ecosystem
- 3.2 Access to skills and employment

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| Our current workforce has the skills to ensure they are well equipped to deal with the short-term impact of Covid-19 and to take advantage of the long-term opportunities we outline in our LIS | **Short term:**
- Skills Advisory Panel to identify mechanisms to give confidence to businesses to continue to invest in skills including apprenticeships
- Map existing provision across D2N2, including the online skills support that our residents can access
- Create a D2N2 script on the evidence/value of investing in R&D and skills during a recession

**Medium term:**
- Develop the quality and review the relevance to changing economic circumstances of the Labour Market Intelligence supplied by D2N2
- Work with LAs, FE, HE and businesses to develop an approach to digital skills that delivers benefits of scale married to flexibility to deliver the needs of local labour markets.

**Longer term:**
- Post-crisis to review the interventions that have been most impactful and to identify means to sustain the best, post-Government emergency funding |

| Our future workforce continues to be given the best possible support to ensure they make the right decisions about education, training or work despite the crisis. | **Short term:**
- Skills Advisory Panel to identify the scale of the potential impact on young people including on NEETs and the impact on C19 on their immediate careers/education choices
- Work with businesses, schools and colleges to identify and develop online careers support |
| Preventing widespread long-term unemployment and its scarring impact on individuals and communities | **Short term:**
- Work with DWP to identify at a local level to identify current and future hotspots
- Assess the potential for significantly increasing volunteering as a potential skills and employability intervention  
**Medium term:**
- Support DWP, LAs and other partners to align activities to create single locally tailored offers and bend LEP funding and activity to support delivery
- Use the authority of the SAP to build strong intelligence on the employment and support schemes and funds existing in the region  
**Longer term:**
- Seek increased local funding for and discretion over government funding for employment and skills interventions, including from the successor funding to ESIF, with the quid pro quo of greater long-term alignment of local delivery |
| Our skills and education providers are given the support and confidence they need to flex their offer to adjust to the changed economy | **Short term:**
- Securing an Institute of Technology for D2N2
- Supporting the FE sector to push for greater flexibility in the delivery of apprenticeships and adult education in light of the impact of Covid-19
- Promoting continued business investment in skills and apprenticeships during the crisis  
**Medium term:**
- Working with partners to lobby for an adequate capital and revenue funding settlement for FE providers in the region |
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<td>• SAP to lead on improving coherence and effectiveness of referral pathways across employment provision</td>
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<td>• Seek increased local funding for and discretion over government funding for employment and skills interventions, including from the successor funding to ESIF, with the quid pro quo of greater long-term alignment of local delivery</td>
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4. Infrastructure

**National industrial strategy perspective:** ensuring infrastructure choices actively support our long-term productivity

**Our recovery objective:** ensuring that we balance the need for short-term economic stimulus with the need for long-term sustainable growth as we aim for a net zero-carbon economy

**Relevant LIS propositions:**

- 2.1 Low carbon growth
- 2.2 Housing and construction
- 3.3 Quality of place

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| Ensuring the right infrastructure is delivered at the right time for both short and long-term benefits. | **Short term:**  
  - Coordinating the growth projects submission to government  
  - Supporting the energy projects submission to government  
  - Lobbying HMG for more capex funding and greater flexibility of existing funds  
| **Medium term:**  
  - Establishing a green recovery jobs and growth programme  
  - Reviewing the balance in the region between spend on digital, green and physical infrastructure  
  - Build an even more comprehensive pipeline of projects including potential innovation, energy, digital and employment/skills capex/revenue projects  
| **Longer term:**  
  - Continue to lobby government to increase infrastructure spend in the EM to redress historic underfunding  |

| Targeting investment on sectors in which D2N2 has a competitive advantage including offsite-construction and low carbon energy production. | **Short term:**  
  - Identification of immediate stimulus programmes via MHCLG (capex) and BEIS (energy) projects  
  - Prioritise the development of a clear proposition for the Ratcliffe-on-Soar site as a nationally significant asset for low carbon energy production and innovation  
  - Develop with Home England a regional approach to stimulating confidence in offsite construction amongst builders, homebuyers, planners and lenders  
| **Medium term:**  
  - Using our Energy Strategy Group to identify opportunities emerging for funding and investment  |
| **Further develop the propositions in the other key D2N2 development sites including Cottam and High Marnham** |
| **Longer term:** |
| • Seek increased local funding for and discretion over government funding for capital programmes, including from the successor funds to LGF and ERDF, in return for greater alignment of local programmes. |

| **Green recovery** |
| **Short term:** |
| • Identify the low-carbon occupations in which we have significant opportunities for growth and need for re/upskilling and work with skills and training providers to ensure that local provision supports our growth ambition; |
| • Ensure low carbon growth defined and prioritised within LEP recovery strategy so the focus is not lost as a result of Covid-19; |

| **Medium term:** |
| • Maximise D2N2s influencing and coordination role to ensure the right balance of investment between physical, digital and green infrastructure, including lobbying for “Green Enterprise Zones”; |
| • Develop a commissioning approach that gives due weight to the carbon footprint and positive environmental impact of proposed capital development alongside other economic impacts, for example projects which promote cycling and walking or which include on-site low carbon electricity generation; |
| • Develop existing skills programmes to support workers affected by Covid-19 to re/upskill in low carbon skills; |
| • Work with the Environment Agency to develop a comprehensive picture of the value of the ecosystem services offered by our natural assets; |
| • Encourage a strong focus on the potential to creation, adoption and commercialisation of tech that will contribute to our net zero carbon ambitions. |

| **Longer term:** |
| • Use our capital investments to ensure the full potential of our natural assets to deliver on our low carbon commitments are realised; |
| • Better understand and invest in the circular economy. |
5. Business Environment

**National industrial strategy perspective:** to contribute to making the UK the best place to start and grow a business.

**Our recovery objective:** to ensure our business are well placed to survive the crisis, adapt and repurpose to thrive as the economy recovers.

**Relevant LIS propositions:**

- 1.2 Business support
- 3.2 Access to skills and employment

<table>
<thead>
<tr>
<th>Proposed outcomes</th>
<th>Actions</th>
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</table>
| Ensure existing business support programmes support short-term survival and medium-term stability | **Short term:**  
- Ensure Growth Hub advice is constantly updated to reflect the latest on Covid-19  
- Mapping and sharing of the business support offers available to our businesses  
- Identify any gaps in support and funding  

**Medium term:**  
- Developing the mapping into a longer term more seamless regional offer, tailored to the emerging needs of a changed economy  
- Ensure support for startups is available for newly redundant employees, graduates and previous business owners  

**Longer term:**  
- Seek increased local funding for and discretion over government funding for business support interventions  

| Identify sectors and supply chains most in need of support to inform changes to provision and funding bids | **Short term:**  
- Survey work and analysis to identify sectors at current and future risk  
- Engagement with sectors which cannot be restarted or recover quickly, for example, tourism and cultural and those sectors which rely on international links such as higher education and international travel to identify immediate support needs and opportunities  
- Work with LAs to identify town centres most at risk and develop focused support to enable businesses to adapt to the changing economic reality  

**Medium term:**  
- More targeted work with sectors through existing sector forums (aerospace, manufacturing, visitor economy, culture) or through the creation of new time limited limited groups if needed to better understand sectoral needs and potential solutions |
<table>
<thead>
<tr>
<th><strong>• Aligning LEP funding and lobbying government for additional funding for sectors in need and potential growth sectors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Longer term:</strong></td>
</tr>
<tr>
<td>• Consideration of new or update funding mechanism at regional or Midlands-wide levels, eg looking at the funding programme open to combined authorities</td>
</tr>
</tbody>
</table>
6. Place

**National industrial strategy perspective:** to have prosperous communities across the region.

**Our recovery objective:** to support our partners in Local Authorities to restart local economies and to support our cities, towns and rural areas to adapt to the changed economic environment; and to always look to enable leadership at the right geographical level

**Relevant LIS propositions:**

- 3.1 Inclusive growth: *note that an inclusion strategy for D2N2 is in development, and will set out how we embed inclusion in all our thinking*
- 3.3 Quality of place

<table>
<thead>
<tr>
<th>Proposed outcomes</th>
<th>Actions</th>
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<tbody>
<tr>
<td>Maximise any additional place-based funding that becomes available as a result of the crisis</td>
<td><strong>Short term:</strong>&lt;br&gt;• Coordinating the growth projects submission to government&lt;br&gt;• Supporting the energy projects submission to government&lt;br&gt;• Mapping other funding opportunities&lt;br&gt;• Lobbying Government for greater flexibility on use of funding streams inc ESIF and GPF</td>
</tr>
<tr>
<td></td>
<td><strong>Medium term:</strong>&lt;br&gt;• Develop stronger horizon scanning capacity to identify future funding streams from beyond BEIS, MHCLG, DFT and ESIF&lt;br&gt;• Lobbying government to ensure the Shared Prosperity Fund or its replacement gives due weight to geographical issues/opportunities.&lt;br&gt;• Providing support to the economic elements of Local Plans and other strategies to ensure there is alignment from regional to local strategies</td>
</tr>
<tr>
<td></td>
<td><strong>Longer term:</strong>&lt;br&gt;• Seek Govt commitment to co-design of place-based initiatives to ensure closer alignment to the needs of local economies and to enable local areas to help join up and rationalise initiatives before they go live</td>
</tr>
<tr>
<td>Use the emerging evidence base on the impact of Covid-19 to build flexibility into LEP programmes</td>
<td><strong>Short term:</strong>&lt;br&gt;• Identify the spatial differences in the impact on employment, unemployment, sectors and skills and on the commercial property sector, especially in town centres</td>
</tr>
<tr>
<td></td>
<td><strong>Medium term:</strong>&lt;br&gt;• Ensure LEP programmes, including scoring mechanisms, are designed to accommodate geographical variations and needs</td>
</tr>
<tr>
<td>Longer term:</td>
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<tr>
<td>---------------------------------</td>
<td></td>
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<tr>
<td>• Seek Govt commitment to co-design of place-based initiatives to ensure closer alignment to the needs of local economies and to enable local areas to help join up and rationalise initiatives before they go live</td>
<td></td>
</tr>
<tr>
<td>• Seek clarity on roles of LEPs and other partners in response to future economic crises to shortcut some of the discussions on the administration of the response</td>
<td></td>
</tr>
</tbody>
</table>
7. Monitoring and evaluating what we do

**Our recovery objective:** to ensure we base our planning for the recovery on sound evidence of how the economy is changing and on what works in responding to those changes; and to ensure that lessons learnt from the crisis are fed into planning for future emergencies.

<table>
<thead>
<tr>
<th>Proposed outcomes</th>
<th>Actions</th>
</tr>
</thead>
</table>
| Ensure all parts of the region have the analytical support they need to make the best decisions for their areas | **Short term:**  
  - Convene an analytical group to pool resource, reduce overlaps and plug gaps  
  - Attend the LRFs and economic cells to ensure information is getting to the right places at the right time  
  - Produce analysis of the key impacts on the crisis on sectors, jobs and unemployment to underpin discussions about potential interventions  
  - Develop a simple “Recovery Dashboard” to enable the Board and Economic Recovery Board to have an at-a-glance update on progress  
**Medium term:**  
  - Build on that group to create an Alliance for Productivity that keeps the allows the region to maintain its focus on evidence of what works  
  - Support the wider ME and national work on building analytical capacity  
**Longer term:**  
  - Explores with the HEIs, Midlands Engine and other partners the potential to create a permanent analytical resource supporting the region’s economic development |
| To ensure that lessons learnt from the crisis about new ways of working and learning that have had a positive benefit on both the economy and the environment are sustained where appropriate. | **Short term:**  
  - Build evaluation in from the start to our recovery planning  
**Medium term:**  
  - Continuously review and improve our interventions  
  - Review the evidence base underpinning the LIS and update both the evidence base and LIS as necessary  
**Longer term:**  
  - Undertake a review of D2N2’s role in the recovery to feed into our business planning and as a guide for handling of future crises. |
1. INTRODUCTION

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

   a. Local Industrial Strategy
   b. East Midlands Freeports Update
   c. Advisory Boards Update
   d. MPs Roundtables
   e. Board Recruitment Update

2. RECOMMENDATION

Board is asked to NOTE the report and endorse the draft Freeports Consultation report, delegating final approval to the Interim Chair.

3 LOCAL INDUSTRIAL STRATEGY

Whilst there hasn’t been any formal guidance on next steps in relation to Local Industrial Strategy (LIS) development and adoption, the general steer from government has been to encourage LEPs to reflect the short and medium-term impact of Covid-19 on the longer-term ambitions of the LIS.

Through the LEP network, LEPs are working to develop a consistent approach and core evidence metrics to inform the recovery plan approach to embed into the LIS. The draft recovery framework is provided as part of the Covid-19 update report, this will continue to evolve as we gather appropriate insights of the impact on the regional economy.

As part of the development of the LIS, given the focus on inclusive and sustainable growth, the team have developed two underpinning frameworks to ensure that as a LEP we embed inclusion and sustainability through all aspects of our work. The frameworks set out how we will achieve the core principles across our strategy development, investment decisions and governance structures.

The Inclusion Framework, will underpin our work to tackle exclusion and promote social mobility, which is central to the third guiding principle in the LIS: delivering connectivity-led growth to all parts of the region. It also provides a clear statement that as a LEP we are committed to ensuring we monitor our impact on all communities and encouraging broader engagement from diverse
groups. The Framework has been co-developed with the current Board and Advisory Board Inclusion Champions.

In order to steer our work on Sustainable Development, we’ve developed a second framework based on the inclusion framework. The intention is to highlight where sustainable development fits into the role of each Advisory Board. It is also the first step towards developing a dashboard across all our activities to demonstrate our progress on sustainable development, notably our LIS commitments on low carbon growth. Our intention is to consult on the framework during the summer.

Both frameworks are provided as appendices to the report which board members are invited to provide feedback.

4. EAST MIDLANDS FREEPORT

The East Midlands Freeport Working Group jointly chaired by the CEOs of D2N2 and LLEP LEP’s has continued to progress the response to the Governments Consultation on Freeports alongside developing the regions proposal for a freeport centred around the East Midlands airport area.

A presentation on progress will be provided at the board meeting including the draft consultation response which is attached as an exempt paper.

The working group met on 24 June, 2020 to review the latest draft of the response which is intended to be jointly submitted on behalf of the partners on the working group. The partners being the East Midlands Airport, Uniper, SEGRO, Maritime, Leicestershire County Council, Nottinghamshire County Council, Rushcliffe Borough Council, North West Leicestershire District (which are all the local authorities for the proposed sites within the Freeport), the Development Corporation, D2N2 and LLEP.

In the lead up to the consultation response which is due on 13 July, 2020, alongside the input of the working group we also held a virtual roundtable with businesses and representative bodies from across the region to raise awareness of the potential opportunities of a Freeport and ensure wider industry views on the consultation.

A presentation was provided to the Development Corporation Executive Group to ensure ongoing synergy with the plans for the Development Corporation. A draft statement of intent is being developed between the Freeport working group and the development corporation team to embed the consistency and alignment between the two complimentary proposals.

In anticipation of an expected call for freeports in early autumn, in parallel to co-ordinating the response to the consultation, work on developing options for a freeport proposal are also underway.

Freeports remain a key element of the Governments policy as part of the response to stimulating economic growth post Brexit as part of the levelling up agenda and critically Covid-19 recovery. This commitment was re-iterated as part of a recent cross government workshop as part of the consultation process.
Board Members are asked to endorse the draft freeports consultation response and delegate the approval of the final version to the Interim Chair and Chief Executive.

5 ADVISORY BOARDS

Since we last met as a Board on 19 May, 2020 the Business Growth, Innovation and People and Skills advisory boards have met and below is an update along with next steps from both of those boards. At the time of writing this paper the Place Board has yet to meet, but will do so on 1 July, 2020 therefore a verbal update will be provided.

The Innovation Advisory Board discussed post-COVID-19 manufacturing and the innovation drive to deliver the third Industrial Revolution by way of a presentation. Tim Figures, Policy Director of Make UK followed with a presentation to give an overview of the organisation and their response to the Covid-19 pandemic. Members agreed there were synergies with the group and highlighted the need for better collaboration regionally and nationally.

The Business Growth Advisory Board met on 2 June, 2020 and discussed D2N2’s Covid-19 response and recovery work to date. Following a request at the last meeting there was a presentation from Chris Pook, D2N2 Growth Hub, to provide members a greater level understanding of the Growth Hub’s standard propositions and Covid-19 response. Frank Horsley, Head of Business and Innovation gave a detailed proposal for Single Business Growth and Innovation Board, which was supported by the members. Members of the group were keen to explore opportunities for a greater joined up approach to communications, in response Rob Harding, Head of Marketing and Communications, provided an Engagement Strategy update.

Business Growth and Innovation Advisory Board merger: Since the last Board meeting, discussions have taken place with the members of both the Business Growth and Innovation Advisory Boards to review an outline proposal to merge the two Advisory Boards into a single entity and to sharpen the focus on the key interventions we can make as D2N2 to add value either in delivery or a wider convening role. Both Advisory Boards agreed that a new merged Advisory Board with revised Terms of Reference should be developed over the Summer prior to a first meeting in August, 2020. The Head of Business and Innovation will draft the new Terms of Reference and rationalise membership in consultation with the current Advisory Board leads and the wider D2N2 Board.

The proposal for a new single Advisory Board is based on “form following function” with four clear principles:

- Focusing on where D2N2 can provide added value to the business growth and innovation agenda;
- Understanding and meeting the customer needs of our businesses and key sectors in supporting growth through improved productivity, developing new products and markets and building resilience (in light of Covid-19 and EU Exit);
- Ensuring engagement with our business base is coherent and communication is consistent to develop programmes of activity in agreed focused theme areas

The new proposed model also has clear synergy with the HMG Productivity Review and the Business Change Cycle advocated within the review.

As a result of The People and Skills Advisory Board meeting on 22 April, 2020 the board is now meeting fortnightly to focus on single issues arising as result of Covid-19. The first of these
'light' meetings took place on 5 June, 2020 focusing on the impact of Covid-19 on apprenticeships and Further Education. The Board agreed a focus on:

- Supporting developing national partner asks for flexibilities in apprenticeship and FE budget delivery and to incentivise continued employment of young people.
- Utilising our existing careers support with secondary schools to shift towards digital delivery and to ensure young people have a 'second option' back up plan
- Reinforcing understanding of and referral pathways between providers of unemployment support services in D2N2 – building on the launch of the Redundancy and Redeployment Triage service.
- Continuing to gather evidence on impact on occupations, employment and skills through the C-19 Recovery Analytical Group and review regularly

The full Advisory Board met on 18 June, 2020. This meeting focused on longer term strategic objectives and specifically agreed the following 3-year priorities:

- The Digital Skills Strategy: to focus on universal digital user upskilling in D2N2 with a focus on adult retraining, gradual growth in supply and uptake of higher digital skills for industry and promotion of roles in building and developing digital infrastructure.
- Covid-19 Mitigation: The impact of Covid-19 has required a rethink of skills priorities to include focus on areas hardest hit. Focus will be on securing pathways for young people, leveraging resources for adult reskilling and supporting businesses to continue to focus on skills. This priority replaces the previously proposed skills focus on new and emerging sectors.

The Place Board are due to meet on 1 July, 2020. The proposed agenda for the meeting includes:

- Overview of the £161 Million Transforming Cities bid being developed by Nottingham City and Derby City Council;
- Update on the development of the Towns Fund across the 7 towns in D2N2 in light of new guidance published by Government to reflect the impact of Covid-19 on each town.
- Update from the D2N2 Energy Strategy Group: the group is recommending formal adoption of the recommendations from the Energy Strategy and alignment with the Place Board in terms of formal governance and reporting.

MP ROUNDTABLES

A plan of engagement for the region’s MPs has been implemented to continue to improve our relationship and to support our activity by promoting the work we undertake. As part of this, we are undertaking regular group meetings with our local MPs, supplemented by 1-2-1’s on request.

Most recently we met with D2N2 Labour MPs to discuss COVID-19, recovery planning, HS2, and the East Midlands Freeport and the Development Corporation. Attendees were:

- Alex Norris MP Member of Parliament for Nottingham North
- Lilian Greenwood MP Member of Parliament for Nottingham South
- Toby Perkins MP Member of Parliament for Chesterfield

A second meeting with the D2N2 Conservative MPs Group was held on the 24 June 2020.
The agenda included COVID-19, recovery planning, HS2 and an update on the East Midlands Enterprise Freeport. There was also an in-depth discussion about the LEPs recent MHCLG submission and broader Place priorities, with all MPs expressing a positive desire to be included in future discussions to ensure our priorities reflect the MPs ambitions for the region.

Attendees were:

- Ben Bradley MP  
  Member of Parliament for Mansfield
- Lee Rowley MP  
  Member of Parliament for North East Derbyshire
- Pauline Latham MP  
  Member of Parliament for Mid Derbyshire
- Heather Wheeler MP  
  Member of Parliament for South Derbyshire
- Mark Fletcher MP  
  Member of Parliament for Bolsover
- Amanda Solloway MP  
  Science Minister and Member of Parliament for Derby North
- Scott Addison  
  Representing Ruth Edwards MP - Member of Parliament for Rushcliffe

Further regular meetings are being scheduled with the support of both group MPs.

**D2N2 BOARD RECRUITMENT**

In line with the term limits within the D2N2 Board Articles and Terms of Reference a number of roles on the board are due to come to an end in July these are:

- Paul Harris as representative from the private sector,
- Dawn Ward the representative for the FE sector,
- Jane Howson the Inclusion Representative and,
- Professor Kath Mitchell the representative for the HE sector.

I would like to formally record my thanks on behalf of all the board and staff to the outgoing board members who have each contributed significant time and energy in furthering our ambitions for the region and have been strong advocates for their respective sectors and champions for the region and its potential.

The D2N2 Board Nominations and Renumeration Committee has overseen the recruitment for the new private sector board members to replace Paul Harris and the vacancy that came about as a result of Peter Gadsby’s retirement from the board last year. An open recruitment exercise has resulted in the appointment of two new members who will formally join the board in September. Between them they both bring a wealth of experience from their respective sectors and have a strong commitment to supporting our ambitions for the regional economy.

The two members are:

- **Tim Freeman** who is the Deputy Managing Director of Toyota Motor Manufacturing UK, based in South Derbyshire
- **James Brand** who is the Managing Director of United Cast Bar UK based in Chesterfield

In terms of the FE representation, the FE sector have nominated **Andrew Cropley**, who is the Principal of West Notts College in Mansfield to represent the sector to replace the role currently filled by Dawn Ward.

For the HE representation, in accordance with the rotation between our 3 HE institutions **Professor Shearer West**, Vice Chancellor of Nottingham University will be joining the board to replace Professor Kath Mitchell.
At the time of preparing this paper, following an open recruitment process interviews have been scheduled for a new Voluntary, Community and Social Inclusion board representative. I hope to be able to provide a further update on the outcome at the board meeting.

As a result of the changes to the board we continue to remain compliant with the guidance on LEP board composition – we are still 2/3 Private to public in our representation and include more than the 1/3 female to male gender balance requirements.

Despite actively reaching out to different groups as part of the recruitment process we have struggled to attract candidates from diverse backgrounds. In line with the commitments in the draft Inclusion Framework we are exploring options to address this as part of our future board and advisory board recruitment. We have an initial joint workshop with fellow East Midlands LEPs to look at sharing best practice and explore joint solutions.

David Williams
Interim Chair
8 July 2020
D2N2 Inclusion Framework

1. Inclusion in D2N2: Aim and Ambition

D2N2 LEP takes the issues of social and economic inclusion seriously and as fundamental components of a thriving and vibrant D2N2 economy. In order to ensure the work of the LEP actively promotes inclusion we will seek to:

- Improve our understanding of inclusion and normalise it in our conversations and in all planning, implementation and monitoring activity;
- Take action to ensure more inclusive practice is achieved through our role in commissioning and strategic planning and;
- Influence others on the importance and benefits of inclusion.

D2N2 will employ 4 core strategies:

<table>
<thead>
<tr>
<th>LEADERSHIP</th>
<th>INVESTMENT</th>
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</thead>
<tbody>
<tr>
<td>• Building understanding of 'good' and inclusive growth</td>
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<tr>
<td>• Creating an inclusion 'narrative' – normalising the conversation</td>
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<tr>
<td>• Embedding inclusion across all strategic planning</td>
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<tr>
<td>• Ensuring LEP governance and structure reflects local diversity and need</td>
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<tr>
<td>• Focussing on improving Social Mobility</td>
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<tr>
<td>• Taking action to ensure social value is achieved through all commissioning</td>
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<tr>
<td>• Investing in activities which support pathways from exclusion to participation and through to inclusion;</td>
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<tr>
<td>• Focussing on health, wellbeing, skills and aspiration as routes to inclusion</td>
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<tr>
<td>• Holding projects accountable for their inclusion commitments</td>
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<table>
<thead>
<tr>
<th>INFLUENCE</th>
<th>LEARNING</th>
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<tbody>
<tr>
<td>• Working with our stakeholders to create alignment, consistency and added value on inclusion outcomes;</td>
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<tr>
<td>• Sharing learning to influence future systems planning;</td>
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<tr>
<td>• Championing the inclusive growth agenda</td>
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<tr>
<td>• Improving our understanding of the impact of exclusion in D2N2</td>
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<tr>
<td>• Apply co-production methods to enable learning from others</td>
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</tr>
<tr>
<td>• Developing measures of success to track progress</td>
<td></td>
</tr>
<tr>
<td>• Monitoring performance</td>
<td></td>
</tr>
<tr>
<td>• Reviewing our strategy as a result of performance</td>
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</table>
## D2N2 Inclusion Strategy

### 2. Inclusion in D2N2: Enabling Action

In order to achieve our ambitions for a more inclusive D2N2 and local economy we will employ the following strategies:

<table>
<thead>
<tr>
<th>Business &amp; Innovation</th>
<th>Infrastructure, Capital Investment &amp; Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Broaden representation from a wide spectrum of business and business leaders;</td>
<td>• Maximise D2N2s influencing and coordination role in places facing economic disadvantage to address spatial disparities;</td>
</tr>
<tr>
<td>• Build understanding of the business cost of exclusion;</td>
<td>• Refresh, promote and uphold the commitments of the D2N2 Procurement Charter;</td>
</tr>
<tr>
<td>• Enhance the capacity and knowledge of the Growth Hub to help drive inclusive growth; including promoting the growth of socially-focussed organisations and businesses;</td>
<td>• Maximise the LEPs commissioning power to drive improvements in infrastructure project impact and added value;</td>
</tr>
<tr>
<td>• Provide tools, resources and specialist links to help businesses improve inclusion performance.</td>
<td>• Earlier strategic engagement on capital projects to enable development of related skills and employment activity;</td>
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<td>• Where we have a role in housing delivery, work to deliver a more balanced housing portfolio</td>
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**Success Indicators**

<table>
<thead>
<tr>
<th>Business &amp; Innovation</th>
<th>Infrastructure, Capital Investment &amp; Place</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Number of capital projects using Social Value Act outcomes (project by project basis)</td>
</tr>
<tr>
<td>• Increased productivity</td>
<td>• Skills outcomes resulting from planned capital programmes</td>
</tr>
<tr>
<td>• Reduced sickness and absence levels in target sectors</td>
<td>• Travel to work distances</td>
</tr>
<tr>
<td>• Reduced levels of Economic Inactivity</td>
<td>• Employment / GDHI in deprived districts</td>
</tr>
<tr>
<td>• Fewer unfilled vacancies and time taken to fill vacancies</td>
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</tbody>
</table>

**People & Skills**

<table>
<thead>
<tr>
<th>Business &amp; Innovation</th>
<th>Infrastructure, Capital Investment &amp; Place</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>• Ensure Inclusive Growth is defined and prioritised within core LEP strategy;</td>
</tr>
<tr>
<td>• Better connect learning and work for those most disadvantaged in the labour market;</td>
<td>• Embed inclusion champions across all levels of LEP governance;</td>
</tr>
<tr>
<td>• Expand linkages between employers and schools / employability providers;</td>
<td>• Ensure third sector representation at Board level;</td>
</tr>
<tr>
<td>• Actively promote apprenticeships and local skills priority pathways for all;</td>
<td>• Make inclusion outcomes explicit and measurable across all delivery</td>
</tr>
<tr>
<td>• Expand and promote access to vocational training for adults;</td>
<td>• Develop a methodology for assessing inclusion impact to aid decision making and planning</td>
</tr>
<tr>
<td>• Enable delivery of activities to reduce the impact of poor health on work and productivity.</td>
<td>• Seek and share learning and good practice</td>
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**Success Indicators**

<table>
<thead>
<tr>
<th>Business &amp; Innovation</th>
<th>Infrastructure, Capital Investment &amp; Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Apprenticeship take-up – including to excluded groups</td>
<td>• Inclusion analysis incorporated in all strategic planning publications</td>
</tr>
<tr>
<td>• GDHI in disadvantage areas / for disadvantaged groups</td>
<td>• Consistent progress against agreed inclusion indicators</td>
</tr>
<tr>
<td>• Improved skills levels in disadvantaged areas / for disadvantaged groups</td>
<td></td>
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<tr>
<td>• Increased disability employment levels</td>
<td></td>
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<tr>
<td>• Reduction in ESA claimants</td>
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</table>
In order to achieve our ambitions for a low carbon recovery and long term sustainable growth in D2N2 and local economy we will employ the following strategies:

<table>
<thead>
<tr>
<th>Outcomes</th>
<th>Business &amp; Innovation</th>
<th>Infrastructure, Capital Investment &amp; Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>SD2, 3, 5, 6</td>
<td>• Identify new technologies and processes which we can turn from ideas into action;</td>
<td>• SD7, 8, 9, 10, 11, 12, 13</td>
</tr>
<tr>
<td>Key actions</td>
<td>• Identify transferrable best practice and develop networks to ensure that businesses and public sector investors are encouraged to adopt them;</td>
<td>• Maximise D2N2s influencing and coordination role to ensure the right balance of investment between physical, digital and green infrastructure;</td>
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<tr>
<td></td>
<td>• Continue to make the case to businesses, including through the Growth Hub, that low carbon growth has significant economic benefits to businesses;</td>
<td>• Work with the Environment Agency to develop a comprehensive picture of the value of the ecosystem services offered by our natural assets;</td>
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<td></td>
<td>• Identify the opportunities from the Covid-19 crisis to promote and embed innovative ways of working that have helped to reduce environmental impact.</td>
<td>• Develop a commissioning approach that gives due weight to the carbon footprint of proposed capital development alongside other economic impacts;</td>
</tr>
<tr>
<td>Progress indicators</td>
<td>• Increased R&amp;D investment in low carbon tech by sector</td>
<td>• Use our capital investments to ensure the full potential of our natural assets to deliver on our low carbon commitments are realized;</td>
</tr>
<tr>
<td></td>
<td>• Increased business adoption of low carbon tech by sector</td>
<td>• Develop stronger links to the utilities to ensure closer alignment of their long term planning to our 2030 ambitions;</td>
</tr>
<tr>
<td></td>
<td>• Increase in skills demand for low carbon occupations</td>
<td>• New low carbon commissioning and monitoring approaches in place</td>
</tr>
<tr>
<td></td>
<td>People &amp; Skills</td>
<td>• Carbon footprint of D2N2 investments being monitored and reported</td>
</tr>
<tr>
<td>Outcomes</td>
<td>SD1</td>
<td>SD4</td>
</tr>
<tr>
<td>Key actions</td>
<td>• Use the Enterprise Adviser Network, FE and HE to use the education system to raise awareness of the low carbon economy and job opportunities;</td>
<td>• Ensure low carbon growth defined and prioritised within LEP recovery strategy so the focus is not lost as a result of Covid-19;</td>
</tr>
<tr>
<td></td>
<td>• Identify the low-carbon occupations in which we have significant opportunities for growth and need for re/upskilling and work with skills and training providers to ensure that local provision supports our growth ambition;</td>
<td>• Embed low carbon champions across all levels of LEP governance, and review the relationship between Place Board and Energy Strategy Group to ensure consistency;</td>
</tr>
<tr>
<td></td>
<td>• Develop existing skills programmes to support workers affected by Covid-19 to re/upskill in low carbon skills.</td>
<td>• Work with our local planning authorities to enable a strong, collective approach to requiring a low carbon development first approach;</td>
</tr>
<tr>
<td>Progress indicators</td>
<td>• Increased take-up in low carbon subjects in A-Level and apprenticeships;</td>
<td>• Make low carbon outcomes explicit and measurable across all relevant delivery;</td>
</tr>
<tr>
<td></td>
<td>• Increased graduate retention in low-carbon subjects;</td>
<td>• Seek to influence successor funding to LGF and ESIF and DfT’s approach to inward investment to ensure they prioritise low carbon investments.</td>
</tr>
<tr>
<td></td>
<td>• Reduction in skill shortages reported by low carbon employers.</td>
<td>• Consistent progress on low carbon targets.</td>
</tr>
</tbody>
</table>

D2N2-wide approach being captured in emerging local plans
### Potential dashboard indicators:

<table>
<thead>
<tr>
<th>Outcome</th>
<th>Baseline</th>
<th>Target</th>
<th>Current</th>
<th>DOT/RAG</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>SD1 Reduction in skill shortages reported by low carbon employers.</td>
<td></td>
<td></td>
<td></td>
<td>‡</td>
<td></td>
</tr>
<tr>
<td>SD2 Increased R&amp;D investment in low carbon tech</td>
<td></td>
<td></td>
<td></td>
<td>↔</td>
<td></td>
</tr>
<tr>
<td>SD3 Increased adoption of low carbon tech</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>SD4 [adopt MEDC indicator]</td>
<td></td>
<td></td>
<td></td>
<td>‡</td>
<td></td>
</tr>
<tr>
<td>SD5 Funding agreed for the IZCF centre</td>
<td></td>
<td></td>
<td></td>
<td>↔</td>
<td></td>
</tr>
<tr>
<td>SD6 Funding agreed for low carbon developments on at least one other site</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>SD7 [indicator to be scoped by the D2N2a/HCA MMC group]</td>
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<tr>
<td>SD8 [indicator to be scoped by the D2N2 Energy Strategy Group]</td>
<td></td>
<td></td>
<td></td>
<td>↔</td>
<td></td>
</tr>
<tr>
<td>SD9 All local plans have adopted or are formally proposing to adopt common standards</td>
<td></td>
<td></td>
<td></td>
<td>↓</td>
<td></td>
</tr>
<tr>
<td>SD10 Increased carbon sequestration in Park Park testbed</td>
<td></td>
<td></td>
<td></td>
<td>‡</td>
<td></td>
</tr>
<tr>
<td>SD11 [indicator to be scoped with LA transport directors]</td>
<td></td>
<td></td>
<td></td>
<td>↔</td>
<td></td>
</tr>
<tr>
<td>SD12 CMZs established</td>
<td></td>
<td></td>
<td></td>
<td>↓</td>
<td></td>
</tr>
<tr>
<td>SD13 Reduced carbon footprint of D2N2 investments</td>
<td></td>
<td></td>
<td></td>
<td>↓</td>
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</table>
# D2N2 Local Enterprise Partnership Board Report

**DATE:** 8 July 2020  
**REPORT LEAD:** Sajeda Rose  
**AGENDA ITEM:** 2.3  

**TITLE:** D2N2 Chief Executive’s Report

## 1. Introduction

1.1 This report updates Board on the following:

- Skills Update
- Growth Hub Update
- ESIF Update
- Marketing and Communications Update

## 2. Recommendations

2.1 Board is invited to

   a. NOTE the report

## 3. Skills Update

### Contractual Delivery

We have received formal confirmation from the Careers and Enterprise Company of continued funding (subject to local match) for 2020/21 to deliver the Enterprise Advisor programme connecting schools with businesses across the region. In addition, our bid to extend the North Derbyshire Careers Hub has been approved meaning enhanced support for 32 schools in Derbyshire from September; which is 11 more than the existing hub. This extends the coverage into High Peak and Derbyshire Dales, which is in addition to the original area covering Chesterfield, Bolsover and North East Derbyshire.

An analysis of the OFSTED grading of schools and colleges across D2N2 has highlighted underperformance of schools in D2N2 in comparison to the rest of the country, especially in Derby and Derbyshire. We have raised this issue with the DfE Regional Schools Commissioner and Derbyshire County Council, and discussions on options to build on and get greater senior buy in to our careers work and share learning from the Derby Opportunity Area to improve performance are ongoing. We have also had discussions with the Chair of the Education Improvement Board set up in Nottingham to take on board any learnings for the rest of the region.

### Institute of Technology

We continue to work closely with partnerships that expressed interest in delivery of an Institute of Technology in D2N2. Whilst progress has been made to combine the three proposals into two stronger models, we are now working to ensure these align with strategic economic and skills objectives for the region. We have been informed by DfE that the launch of next bidding round is now unlikely before the autumn.
4. GROWTH HUB

Engagement

The level of enquiries received by the Growth Hub Enquiry Team remain steady at approximately 150-200 per week. The emphasis of enquiries has been on future planning and SMEs seeking support to pursue new opportunities rather than on the specific difficulties resulting from Covid-19, which was the focus during April and May.

The D2N2 Business Investment Fund continues to attract a steady flow of new applications and the target of awarding two grants per week is on track. A backlog of applications created as a result of staff being pulled away to support Covid-19 is now being levelled. It is pleasing to see there is still plenty of demand from SMEs who are clearly investing to ‘step-change’ their business at this time.

Uplift Funding

Growth Hubs have received confirmation of uplift funding to support local SMEs post-Covid. Proposals were submitted to BEIS to define how we plan to utilise the additional funding, with three areas of focus:

1. Improve Quality and Infrastructure (i.e. Adviser training, Website/CRM review and content development, Webinar development, Copyrighting services);
2. Improve Reach/Interventions (i.e. Digital Marketing campaign – social, SEO, BAME comms, Social Media staff member)
3. Increase Business Support Offer to SMEs (funding non-ERDF eligible events, RESTART & Business Resilience Programmes, BAME Adviser)

Additionally, we expect confirmation of BEIS funding in July to be able to deliver local Peer Network support until March 2021. Growth Hubs will receive a grant based on the BEIS Covid-19 vulnerability index. Nine sessions will be covered in two-hour online meetings with an action learning set approach. BEIS are seeking to support 10,000 business via this support.

Growth Hub Review

The Growth Hub Executive Group and the Business Growth advisory Board agreed (in May & June respectively) to the proposal that a full review of the Growth Hub is undertaken to include the mid-term evaluation originally scheduled for the Autumn. In tandem with the above plans for additional delivery, the review will be set against the objectives of the LIS and to develop a sustainable delivery model post-ERDF funding in 2023. The review is expected to be completed by October.

5. ESIF SUMMARY UPDATE

5.1 COVID 19 – UPDATE AND IMPACT ON ERDF AND ESF PROGRAMMES

ESIF provision continues to be seriously affected by Covid-19 with face-to-face business and individual support not currently possible. Providers have moved to online, remote provision but have seen a decrease in their ability to meet profiled targets and outputs impacting their income generation.

Managing Authorities (MA) continue to develop measures to help support projects through the lockdown period. MAs are prioritising provider financials and introducing a range of flexibilities such as varied intervention rates, reduction of financial penalties for reduced output levels and staged claims deadlines.
Support for businesses

MAAs have introduced flexibilities which allow providers to repurpose their project to better support businesses, in the current economic crisis, where activity remains in line with the Operational Programme and eligibility rules. This includes the provision of advice, business support and guidance to manage the effects of Covid-19 and allows SMEs that are experiencing financial difficulties to receive ESIF funded support.

Support for individuals

Providers are being encouraged to continue support to individuals and groups using remote online delivery and the introduction of programme flexibilities, such as participant verification collection by alternative means e.g. email rather than wet signatures.

5.2 ERDF

Nine outline applications were selected, following the November ESIF Sub-committee, to go forward to full application. MHCLG and the D2N2 Technical Assistance (TA) service are working with applicants to support the application process.

Nottingham SUD

The final call for applications for the Nottingham SUD programme closed on 10 March 2020. The amount of ERDF available was £8.5m across Priority Areas two, three and four. The Nottingham SUD’s committee it is hoping to bring forward seven outline applications to final application for consideration by the D2N2 ESIF subcommittee.

5.3 ESF

D2N2 open calls

DWP and the D2N2 TA service continue to work with bidding organisations to finalise applications and bring to the ESIF subcommittee for approval.

ESIF subcommittee have recently approved the strategic fit for the Careers and Employability Hub which will allow it to move quickly to funding agreement and delivery. The lead applicant is Futures Advice Skills and Employment Ltd supported by a strong delivery partnership, which includes Derby City and Derbyshire County Councils, and Nottingham Trent University.

DWP assessors and the D2N2 TA service are now working with applicants on the remaining seven calls made at D2N2 level to secure grant funding agreements

5.4 EAFRD RESERVE FUND AND COVID-19

The EAFRD Growth Programme National Reserve Fund (NRF) closed on 16 February 2020.

The RPA believe over 70 rural businesses within D2N2 have applied for grant funding across the three funding strands of Business Development, Tourism and Food Processing. Covid-19 could impact on applicant’s ability to deliver projects within the current completion deadline of 30 September 2021. RPA will work with applicants to discuss flexibilities around project timelines and agree variations to claim schedules, project milestones etc.
5.5 THE ERDF AND ESF RESERVE FUNDS

ERDF - Reopening High Streets Safely Fund

As part of the response to Covid-19 MHCLG have allocated £50m of the ERDF Reserve Fund to support the safe reopening of high streets and other commercial areas. The funding will allow local authority districts to put in place additional measures to establish a safe trading environment for businesses and customers, particularly in high streets, through measures that extend to the end of March 2021.

The total amount of ERDF funding given to local councils across D2N2 totals £1,876,945 and the allocation for each local authority district can be found at Annex 1.

ERDF Reserve Fund – Future planning and commissioning

Given the current circumstances and remaining programme timescale MHCLG no longer expect to launch England-wide Reserve Fund calls for new proposals and will be adopting more targeted and rapid ways of funding remaining activities using a commissioning model.

During July, MHCLG will develop investment options and will provide further information on plans as they develop. MHCLG will align additional support activity with local recovery plans to address emerging recovery funding requirements focused upon additional business support, sectoral or thematic needs.

Work is underway to develop a bespoke package of Covid 19 support for SME’s with a focus on Visitor Economy businesses to help them adapt and improve resilience. This may involve an enhanced role for the D2N2 Growth Hub in administering new, fully funded grants of up to £5k to support business Covid 19 recovery plans.

ESF

DWP are reassessing the nature and scope of the ESF Reserve Fund in the context of Covid 19’s impact on the labour market. This revised approach will be discussed and agreed by the national ESIF Growth Programme Board. When agreed the approach will be communicated to LEPs for further action at a local level.

6. MARKETING AND COMMUNICATIONS

We continue to adapt our communications and our content to be sensitive to the impacts of Covid-19 and to provide trusted and accurate information.

Leveraging our use of digital and social media to provide timely information to build confidence in us and the D2N2 brand remains a key priority. We are continuing to strengthen relationships with our key partners to ensure messages are aligned and coordinated.

We continue to develop our marketing and communications strategy to deliver a clear voice to unlock the region’s full potential on a local, national and international level. We have developed a clear framework from which to develop the strategy (Appendix 2). As part of this, D2N2 Heads of Team recently attended a workshop with board member, Jayne Mayled to clarify our current ideas and ensure we have a compelling and concise narrative going forward.

Digital Campaign

The LEP, together with the D2N2 Growth Hub, are undertaking a new paid search and social media campaign to increase our profile and reach to the region’s businesses. Neither party has ever run a significant digital paid advertising campaign before.
Annica Digital has been appointed to lead the campaign. They have a wealth of experience, including managing campaigns for the East Midlands Chamber of Commerce. The campaign will run for 6-8 weeks initially, following a review a monthly campaign is intended.

Annica will use a LinkedIn campaign to target business decision-makers in the region. The aim will be to raise Growth Hub awareness.

The campaign will be monitored by Annica who will produce weekly topline figures, a monthly report with detailed performance statistic, learnings and recommendations. A summary report will be produced to summarise overall performance, learnings and recommendations at the end of the campaign.

Press and Media

Between May and June, D2N2 communications activity generated 176 news mentions across local, regional and national press including seven across broadcast media (TV and radio) and 40 in print media (newspapers and magazines).

Website

Work on the development and implementation of a new website to replace the LEP, TA, and Schools platforms has continued throughout this recent period. A full working ‘demo’ website was received w/c 12 June. We are currently working through our ‘go-live’ checklist to make sure we haven’t missed anything during the design and build process. The new website will launch w/c 13 July.

Sajeeda Rose
8 July, 2020
## ANNEX 1: ERDF - REOPENING HIGH STREETS SAFELY FUND D2N2 ALLOCATIONS

<table>
<thead>
<tr>
<th>Local Authority</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amber Valley</td>
<td>£113,424</td>
</tr>
<tr>
<td>Ashfield</td>
<td>£114,527</td>
</tr>
<tr>
<td>Bassetlaw</td>
<td>£104,654</td>
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<tr>
<td>Bolsover</td>
<td>£71,400</td>
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<td>Broxtowe</td>
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<td>Chesterfield</td>
<td>£92,638</td>
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<tr>
<td>Derby</td>
<td>£228,224</td>
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<tr>
<td>Derbyshire Dales</td>
<td>£63,808</td>
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<td>Erewash</td>
<td>£102,534</td>
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<td>Gedling</td>
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<tr>
<td>Mansfield</td>
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<tr>
<td>Newark and Sherwood</td>
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<td>North East Derbyshire</td>
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<td>Nottingham</td>
<td>£294,601</td>
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<tr>
<td>Rushcliffe</td>
<td>£106,208</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£1,876,945</strong></td>
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D2N2 LOCAL ENTERPRISE PARTNERSHIP
BOARD REPORT

DATE: 8 July 2020
REPORT LEAD: Sajeeda Rose
AGENDA ITEM: 2.4

TITLE: Capital Programme Performance Update

1 Introduction
This paper provides an update on the performance of the D2N2 Capital Programme and details the latest updates of all programmes as presented to 16 June Investment Board.

2 Recommendation
- The Board are recommended to ratify and confirm the decision of the Investment Board to invest £1.5m of Local Growth Fund to the Castleward Project in Derby
- The Board are recommended to ratify and confirm the decision of the Investment to invest £580,000 of Local Growth Fund to the NTU Nursing and Allied Health Project at West Notts College, Mansfield
- The Board are recommended to ratify and confirm the decision of the Investment Board to endorse two new projects on to the Capital Programme (Annex A).
- The Board are recommended to grant the change request for Riverside Business Park (Annex B)
- The Board are asked to note the Pipeline Call review process and the projects submitted to Government. (Annex C)

3 Local Growth Fund (LGF)

3.1 Performance Update
Coming into the last year of the programme the LEP has £40 million of its £250.7m Local Growth Fund budget left to spend before the March 2021 deadline. LEP Officers are working closely with project sponsors for all projects that are ‘live’ and still ‘awaiting approval’ to monitor the ability to spend by the deadline.

At this moment in time, based on the current assessment of the programme and if all the projects are approved as set out, we believe we will be on track to deliver the full programme target by the end of this financial year. We have also over profiled by £2M to provide a buffer against any underspends.

The current position of the programme has been affected by the Covid-19 pandemic and the effect this is having on the construction industry. In general, the construction industry was
initially highly affected by the Covid-19 crisis with several sites closing down completely for a period or reducing the amount of labour on site significantly. These reductions in workforce are still in place in most sites but nearly all are now back on site and operational. Project sponsors are still quantifying the delays to their programmes and the uncertainty over how long the social distancing period will last is likely to cause ongoing delays.

The Crocus Place project has now officially been withdrawn from the LGF programme by Nottingham City Council which will return £3m to the budget.

**Outputs**

In return for £250m of Local Growth Fund contributions, D2N2 are expected to deliver outputs to contribute to the national economy as a result of the interventions it carries out in the economy. Over its three tranches of funding, the LEP are committed to deliver 29,000 jobs, 10,800 homes and 2,000 learners over the projects lifetime which runs up to 2035.

As of Quarter 4 2019/20 the LEP has delivered the following outputs to date

<table>
<thead>
<tr>
<th></th>
<th>Jobs</th>
<th>Homes</th>
<th>Learners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contracted Target to Q4 2019/20</td>
<td>9,834</td>
<td>4,036</td>
<td>1,709</td>
</tr>
<tr>
<td>Actual to Date (Up to and including Quarter 4 2019/20)</td>
<td>10,447</td>
<td>1,516</td>
<td>2,122</td>
</tr>
<tr>
<td>Percentage</td>
<td>106%</td>
<td>38%</td>
<td>124%</td>
</tr>
</tbody>
</table>

Overall the LEP is delivering well against job and learner targets as set by Government. However, the housing delivery numbers still remain low, this is largely down to the delivery of the Newark Southern Link Road having an unresolved funding issue. D2N2 are working with partners where possible to address this issue.

**LGF Review and Government Update**

The position of Government remains the same regarding the need to have spent the entirety of the Local Growth Fund Allocation by 31st March 2021, at this moment in time it is unlikely that this deadline will change. Therefore, we will continue to work with projects to progress and accelerate spend wherever possible to make sure that the programme is fully contracted as soon as possible and the deadline for spend is achieved.

Stephen Jones, Director of the Cities and Local Growth Unit, wrote to all LEP Chief Executives to explain that an LGF review will be taking place and requested a formal submission by 17th June on the progress to date of the LGF projects in year and the forecasts of spend and commitments in the programme up until March 2021. This review will inform the release of the full funding for this financial year.

In this financial year, government have advanced two-thirds of the funding and have withheld the final third pending the review of progress and ability by LEPs to both commit and spend the allocation in the final year.

D2N2 officers alongside the Accountable Body have directly responded to the review process and submitted the requested evidence. At this point in time the LEP has currently
contractually committed to 95.5% of its total Local Growth Fund allocation. We are confident that we can both commit our full allocation and spend the funding within the financial year.

3.2 Project for Approval – Castleward

Derby City Council presented a project to the June Investment Board requesting £1.5m of Local Growth Funding towards the building and delivery of a new primary school as enabling infrastructure to unlock housing delivery.

In order to create the sustainable urban development that Castleward aspires to be, there is a planning obligation for a new school to be delivered, this will enable the full delivery of units on both the Castleward site and the adjacent Former Derby Royal Infirmary (DRI) site.

The Castleward and DRI developments both play a vital part in the delivery of new homes in Derby City Centre which are required due to a lack of residential properties currently available on the market. The project forms part of the Derby City Centre Masterplan for 2030 and is seen as a key project for the City Council in delivering their ambitions for the city. The LEPs investment of £1.5m to enable the delivery of 1,628 new homes directly aligns with the Emerging Local Industrial Strategy’s aim to support the growth of cities, improving the quality of place and economic prosperity of the region.

The total project cost is £8.1m with funding coming from Section 106 contributions (£1.35m), Derby City Council (£750k) and Homes England Housing Investment Fund (£4.5m). Delivery on site has already began and practical completion is expected in August 2021 ready for a September 2021 intake of students.

The Board are recommended to approve the release of £1.5m of Local Growth Funding to Derby City Council to deliver the Castleward Development.

3.3 Project for Approval – NTU Nursing and Allied Health

Nottingham Trent University presented a project to the June Investment Board requesting £580,903 of Local Growth Funding towards the redevelopment and reconfiguration of teaching and learning space to bring them up to medical facility standards and install specialist equipment for teaching and training. The project will establish a nursing and allied health training facility in Mansfield, operated by Nottingham Trent University and designed and delivered in partnership with local healthcare providers including the Sherwood Forest Hospitals NHS Foundation Trust (SFHFT), the East Midlands Ambulance Service (EMAS), Nottinghamshire Healthcare Trust (NHT), Nottingham University Hospital NHS Trust (NUH), and Nottinghamshire County Council (NCC).

By 2025 the project will have assisted 735 new learners, these will be targeted to those committed to pursuing healthcare careers within the Mansfield and Ashfield locality, in the fields of nursing, ambulance/paramedic, social work and other allied health professions. Learners will include those from families who do not have a tradition of going into Higher or Further Education and those from disengaged backgrounds.

The project is half funded by D2N2 and half funded by Nottingham Trent University, the main capital works begin in July and all works are anticipated to complete by December 2020 with the first students joining in a January 2021 intake.

The Board are recommended to approve the release of £580,903 of Local Growth Funding to Nottingham Trent University to deliver the Nursing and Allied Health Project.
3.4 New LGF projects

In January 2020 following the withdrawal of 3 projects from the Local Growth Fund allocation, D2N2 launched a call for new capital projects. Given that the Local Growth Fund programme is coming to an end in March 2021 the projects needed to have a high level of deliverability and be able to demonstrate that they were able to utilise any LGF allocation before the March 2021 deadline.

Projects were scored based on deliverability, financial risk, Market evidence, strategic fit and outputs. Following this process four projects were initially brought forward and granted an allocation of funding which took the programme to a position of overspend to be covered through the Growing Places Fund to ensure the programme fully delivered its spend target by the March 2021 deadline.

Subsequently, one project (Crocus Place) has withdrawn from the programme, as a result £3m of funding has been released to the Local Growth Fund.

Therefore, the LEP has identified and brought forward additional projects from the pipeline that have further progressed since the initial call in March and are now ready to be delivered.

This work has been carried out with independent analysis from Thomas Lister Consultants who have reviewed revised information on the projects to test in particular their strategic fit and deliverability. This process has confirmed that two projects are ready to be brought forward for consideration by the Investment Board.

The two projects have been re-evaluated from their assessment in March and have now achieved the following scores which are above the minimum threshold of 61 to be deemed deliverable:

- **Automation and Robotics Training** – 65 (Green) The project has addressed the concerns raised around its deliverability since the March call. Following the independent assessment of the information presented, West Notts College have now provided sufficient information to demonstrate this gap has been filled in the application.

- **YMCA Community and Activity Village** – 65 (Green) The project has addressed the concerns raised around its deliverability and in particular its planning status that were identified in the March call. Following the independent assessment of the information presented, YMCA have now provided sufficient information to demonstrate that the project is deliverable by March 2021.

By adding these two projects to the Capital Programme there will be an overspend in the Capital Programme of £2m which allows the LEP to have risk contingency going forward.

Both projects were presented and approved by the Investment Board. Further details of each of the projects are attached to the report in Annex A.

**The Board are asked to endorse the recommendation of the Investment Board to approve the projects on to the pipeline and invite the projects to submit full business cases for consideration.**

3.5 Project Change Request – Riverside Business Park

One project change request was submitted to the June Investment Board which includes a change in the drawdown of LGF finances to the project. The request was approved by the Investment Board. Further details on this project can be found in Annex B.
### 3.6 MHCLG Pipeline projects submitted 18th of June

D2N2 along with all other LEPS were invited by the Secretary of State Robert Jenrick MP, Secretary of State for Housing, Communities and Local Government on the 10th June to prepare a list of ‘development ready’ projects to be submitted to MHCLG by the 18th of June for consideration as part of a July fiscal announcement. (copy attached)

The key focus was to urgently identify schemes that were immediately deliverable to stimulate economic activity and crucially support job creation in the context of a post covid recovery strategy.

We were asked to identify projects that could either be classified as ‘New’ where no LGF funding had been previously received or ‘Accelerated delivery’ where additional funds could accelerate additional output delivery on projects that had received previously received Government funding.

In the short time available D2N2 worked with public sector partners (local authorities, universities and FE Colleges) to identify projects that could meet the criteria set by government, which were all subsequently scored by D2N2. In total 38 bids were submitted which were scored against the same criteria as used in the January and March LGF Pipeline calls. These were:

- Strategic Fit and Outputs
- Project Programme and Deliverability
- Market Evidence and Planning status
- Financial risk and options appraisal

Following this process, the LEP identified 18 projects which scored above the 61-point threshold which considers projects to be deliverable.

The total funding requested from D2N2 was £91.067m with £38.66m to the accelerated projects list and £52.4m to the new projects list. Five of these projects were included within the accelerated projects list and the other 13 in the new projects list.

The list comprised of a range of interventions across the whole region that can support and unlock growth, including infrastructure development to stimulate employment and commercial developments which included investment in digital infrastructure, investment in skills and innovation capability to underpin future recovery and growth, direct support for businesses to stimulate investment confidence and investments to support our low carbon ambitions. The range of projects were also spatially balanced and included investments proposals from both our cities and across our towns from the south to the north of the region.

We believe the list was credible and robust as well as being ambitious. At the time of writing we’re anticipating that there may be an early announcement by the PM this week followed by a further update in July by the Chancellor in the anticipated fiscal announcement.

A full list of projects is included with Annex C of this report which includes both the projects which were submitted to MHCLG and those that did not meet the deliverability requirements.
Annex A – New Pipeline Projects

Automation and Robotics Training – West Notts College

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Automation and Robotics Training</th>
<th>Project Sponsor</th>
<th>West Notts College</th>
</tr>
</thead>
<tbody>
<tr>
<td>LGF Funding</td>
<td>£673,618</td>
<td>Total Project Cost</td>
<td>£898,157</td>
</tr>
<tr>
<td>Construction Start Date</td>
<td>September 2020</td>
<td>Construction End Date</td>
<td>February 2021</td>
</tr>
<tr>
<td>Outputs</td>
<td>470 – Learners Assisted</td>
<td>20 – Businesses Supported</td>
<td></td>
</tr>
</tbody>
</table>

Project Description

The project will see the procurement, installation and support for a range of bespoke training equipment (and associated IT) which will facilitate the training of young people and adults up to level 5 in the installation, programming, maintenance and repair of automated production and distribution lines and robots. The project is a direct response to help shape the future economy of Mansfield and the surrounding areas, it will deliver training to local people to create a strong workforce in these employment areas for local businesses.

The existing engineering building is currently utilised for providing skills training and apprenticeships; however, existing equipment within the building is now 18 years old and significantly out of date, especially in context with the technological advancements that have been made within the engineering and manufacturing sector. After discussions and engagement with local employers which have identified that the existing equipment is no longer fit for industry standard training the college are responding to the changing needs of business and procuring equipment specialising in automation.

West Notts College have been engaging with and will provide training through this equipment to businesses in the Manufacturing, Engineering and Distribution sectors. The new equipment will facilitate the delivery of a higher standard of training to the people of Mansfield and Ashfield as well as delivering more learners with higher level training to the economy. The provision on offer will be the following:

- Level 3 Engineering Apprenticeship Standards
- Level 4 Engineering Apprenticeship Standards – **Entirely new provision**
- Level 5 Engineering Apprenticeship Standards – **Entirely new provision**
- HNC and HND - engineering full time and part time courses.
The YMCA are looking to develop a new 4,800M² facility which will become a community and learning hub adjacent to some of the most deprived wards of Newark and Sherwood which ranks 324th out of 325 Local Authority area with regards to social mobility and is subsequently the least socially mobile place in D2N2.

The building will offer new job and learning opportunities for local residents to benefit from and will aim to form part of the solution to solve the social mobility issues in the area. D2N2 are being requested to part fund the development of Phase 2 of the project which will deliver a new state of the art community venue with facilities which include:

- 300-Seater Conference and Events Space
- 5 Fully digital and connected education, training and employment suites
- Healthcare suites and treatment/rehabilitation spaces
- 80 Place Café

Through collaborative partnerships with over 50 different providers such as Lincoln College, NTU and Lincoln University, the YMCA will look to utilise this new space to develop a programme of training opportunities for local people and provide learning from levels 1-6 in subjects such as Housing, Digital Media, Health and Social care as well as Public Services. The YMCA have formed partnerships with local businesses, education providers and the community to deliver socially inclusive training opportunities to the people of Newark and D2N2.

The facility will enable the YMCA to provide coordinated delivery of both education, employment and wellbeing support to address identified social mobility challenges in Newark and skills to address productivity and labour market gaps. The new centre will enable the people who are often the furthest away from the labour markets, access to training and skills through less traditional mechanisms. The facility will combine this with support pathways to develop local residents which a traditional educational institution may not be able to do and they may not have access to. Given current economic circumstances this is a vital facility to ensure that some of the most disadvantaged people in the D2N2 economy are not left behind and can be provided with training opportunities to aid economic recovery and tackle social mobility issues.

The learning hub is part of a much larger development Phase 1 is already complete and consists of an athletics track and quality sports pitches. An Olympic climbing wall, cycle track and canoeing are still to come.
This is the YMCA's flagship national project, intended to support families at every point in their lives through provision of a wide range of services consolidated at the village. The idea is that the village brings together different family members and members of the community at the same place to do different things. There's a strong focus on tackling the barriers to social mobility which, is a particular challenge for the area.

Being located in an area of significant housing growth and high levels of deprivation, the learning hub has the potential to impact the lives of a significant number of people and make a long-term contribution to raising local skills levels.

Through the providers involved, the centre will enable better health outcomes, educational attainment and provide an interface with the local economy to address long standing issues in the area. The Newark and Sherwood YMCA will oversee the operations and management of the facility but will work collaboratively with partners to ensure that a wide range of provision is available, and expertise are in place to deliver the learning support to the site's users.

There is strong partnership engagement in the governance of the model which has the support of both the district and county authorities as well as financial support through Grants, land transfers and commitment of future section 106 commitments.
## Annex B – Project Change Request

<table>
<thead>
<tr>
<th>Project Name/ Promoter and description</th>
<th>Change Description</th>
<th>Reason for the Change</th>
<th>Impact of the change</th>
<th>Officer Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riverside Business Park</td>
<td>Financial – The project sponsor is requesting that they can change the arrangements to drawdown 100% of costs spent through Local Growth Funding rather than the 50% basis which was agreed at the time of approval.</td>
<td>The project has been delayed due to the impacts of Covid-19 and a delay in the construction of the hotel development due to be built on site.</td>
<td>The change will allow Riverside Business Park to utilise all of the remainder of their LGF allocation in the 2020/21 financial year. Without the amendment due to the delays on site the project would not be able to meet the financial deadline of the final year of the programme.</td>
<td>The LEP Officers recommend that the change request is granted and that Riverside Business Park are allowed to drawdown 100% of costs through LGF to the total sum of £3.35m. This does not affect the delivery of the project and clawback conditions in the contract will ensure that the private sector contributions will be monitored in future years.</td>
</tr>
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</table>
# Annex C – MHCLG Pipeline Project List

The following table outlines the projects which have been sent as part of D2N2’s submission for pipeline projects to MHCLG on the 18th of June.

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Description</th>
<th>Area</th>
<th>Bid Value</th>
<th>Project Type</th>
<th>Project Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food and Innovation Park</td>
<td>The Food and Innovation Park will be a food manufacturing and distribution park. 4,500 jobs will be secured from a major inward investment with this bid supporting the first phase. The project will facilitate a food innovation centre and a new skills facility with the latter run in conjunction with the University of Derby.</td>
<td>Derby City</td>
<td>£12million</td>
<td>Enabling works</td>
<td>75</td>
</tr>
<tr>
<td>UK Electrification of Aerospace Propulsion Facility</td>
<td>Part of a £1bn+ vision for the East Midlands to regain its pre-eminence as the world’s foremost location for aerospace innovation - protecting the 40,000-aerospace supply-chain jobs in the region. This national facility will support a green recovery for the UK aerospace industry through the development of sustainable and competitive electrified propulsion systems.</td>
<td>Nottingham City</td>
<td>£7.6million</td>
<td>Innovation</td>
<td>72</td>
</tr>
<tr>
<td>Nottinghamshire Housing and Communities Infrastructure Growth Programme: Lindhurst, Mansfield</td>
<td>The Berry Hill site forms an urban extension to the Mansfield district. Work is well underway on phase 1. To accelerate phase 2, funds are requested towards the spine road, which will unlock the site to create new homes.</td>
<td>Nottinghamshire</td>
<td>£3million</td>
<td>Housing</td>
<td>71</td>
</tr>
<tr>
<td>Project Name</td>
<td>Description</td>
<td>Area</td>
<td>Bid Value</td>
<td>Project Type</td>
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<td>school, shops, Green Infrastructure and Employment Land.</td>
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<tr>
<td><strong>MRC Midlands</strong></td>
<td>The MRC Midlands will be the first project of its kind in the region. It will spearhead innovation-led advanced manufacturing to boost the resilience of Derby’s economy. Through providing access to cutting edge research and development facilities, the project will create jobs, transform supply chains and enable business growth.</td>
<td>Derby City</td>
<td>£6.87 million</td>
<td>Innovation</td>
<td>71</td>
</tr>
<tr>
<td><strong>Bridge Court Campus</strong></td>
<td>The regeneration of Bridge Court will facilitate the delivery of a state-of-the-art University campus in Worksop town centre in partnership with the University of Derby and Doncaster &amp; Bassetlaw Hospitals Trust. This Campus will address a training need in the health sector, enable the upskilling of young people and carers, and increase the engagement of local people in higher education.</td>
<td>Bassetlaw</td>
<td>£3.5 million</td>
<td>Skills</td>
<td>68</td>
</tr>
<tr>
<td>Digital Business Growth - 5G Connected Forest Innovation Hub - Turbine Centre</td>
<td>This project will establish a 5G Innovation Hub in the Turbine Centre in Worksop, providing enhanced digital connectivity throughout the centre. It will also enable the prototyping and launching of the world’s first 5G devices from the Hub and the delivery of certified</td>
<td>Worksop (Bassetlaw/Notts)</td>
<td>£0.5 million</td>
<td>Digital Infrastructure</td>
<td>68</td>
</tr>
<tr>
<td>Project Name</td>
<td>Description</td>
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<tr>
<td><strong>Digital Business Growth - Better Broadband for Nottinghamshire (Phase 3 extension) (Accelerated)</strong></td>
<td>Driving business growth and job creation by extending fast and reliable broadband services. High levels of ultrafast coverage would support new investment and act as a catalyst for new business start-ups, support home-working and micro businesses.</td>
<td>Nottinghamshire</td>
<td>£2 million</td>
<td>Digital Infrastructure</td>
<td>68</td>
</tr>
<tr>
<td><strong>Digital Advanced Manufacturing and Engineering Centre</strong></td>
<td>The project will fund the development of a centre of excellence at Chesterfield College to support learners to develop much needed digital skills and the practical skills for modern construction techniques. The new centre will deliver higher-level skills within the industry and meet the demands of the local area.</td>
<td>Chesterfield</td>
<td>£0.5 million</td>
<td>Skills</td>
<td>67</td>
</tr>
<tr>
<td><strong>DRIIVe (Derbyshire Rail Industry Innovation Vehicle)</strong></td>
<td>The project capitalises on opportunities presented by HS2 and the rail sector in Chesterfield, including investment from Talgo, who, as part of its ‘All Britain Strategy’ is seeking to develop a modern rail innovation and training centre focussed on green technologies. The DRIIVe centre will facilitate growth in the supply chain and create a pipeline of skilled workers for the rail industry.</td>
<td>Chesterfield</td>
<td>£0.5 million</td>
<td>Skills</td>
<td>65</td>
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<td>Project Name</td>
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<tr>
<td><strong>Whitwell Colliery Reclamation - mine water project to create district heating system</strong></td>
<td>A low carbon energy district heating system powered by mine water is proposed as part of the reclamation of a former spoil heap to prepare the site for development. The subsequent development of the site will include 600 houses, 5 hectares of employment land and new country park.</td>
<td>Derbyshire and Bolsover District Council</td>
<td>£4million</td>
<td>Clean Energy/Resource Efficiency</td>
<td>65</td>
</tr>
<tr>
<td><strong>Drakelow</strong></td>
<td>Infrastructure project on the road network to support a larger bridge/bypass scheme (£24million in total) including bypass bridge to Burton and better road traffic links between South Derbyshire, East Staffordshire and the wider West Midlands. This is linked to the regeneration of the former Drakelow Power Station site enabling 2239 homes (193 built) and up to 30 acres of industrial and commercial use land.</td>
<td>South Derbyshire District Council</td>
<td>£2.6million</td>
<td>Regeneration</td>
<td>65</td>
</tr>
<tr>
<td><strong>Island Quarter</strong></td>
<td>Nottingham central railway station has been derelict for 40 years. The consented Island Quarter scheme will sustainably regenerate the site over the next ten years to create a new quarter for Nottingham and new vital links between the City Centre and the east, as well as enhancing Nottingham's Canal and Greenspace. To facilitate its development, the funding is required to</td>
<td>Nottingham City</td>
<td>£3.3million</td>
<td>Regeneration</td>
<td>64</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>Nottingahmshire Housing and Communities Infrastructure Growth Programme: Top Wighay, Annersley-Hucknall</td>
<td>The Top Wighay development will bring significant housing, green and digital infrastructure plus regional facilities to Ashfield and Hucknall. To unlock its full potential and stimulate green economic growth, funding is sought to bring forward a new Community Workspace Hub as a Zero Carbon demonstrator for the region. The new hub will offer employment space, full fibre digital and public facilities, including renewable energy generation.</td>
<td>Nottinghamshire</td>
<td>£5.95 million</td>
<td>Regeneration</td>
<td>63</td>
</tr>
<tr>
<td>Glossop Halls</td>
<td>The renovation and repurposing of Glossop Town Hall, Market Hall and Municipal Buildings for use as business start-up space, with a focus on creative industries, and modern multi-use event space accommodating food and drink businesses, general and specialist retail.</td>
<td>High Peak</td>
<td>£2 million</td>
<td>Regeneration</td>
<td>61</td>
</tr>
<tr>
<td>Broadmarsh</td>
<td>This scheme is to enable the site to be brought into public ownership- clear buildings, conduct detailed site investigations, masterplan the area, and gain planning permission for its future development.</td>
<td>Nottingham City</td>
<td>£5 million</td>
<td>Regeneration</td>
<td>61</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>D2N2 Emergency Growth Fund</td>
<td>Pace, flexibility and scale are key to maintain business confidence. We will create a LEP-wide capital grant and loan fund that has the scale to support meaningful job creation. It will be flexible and be tailored to each city or area’s sectoral mix and opportunity set.</td>
<td>D2N2</td>
<td>£10million</td>
<td>Enterprise</td>
<td>61</td>
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<tr>
<td>{Accelerated}</td>
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<tr>
<td>Clowne North Enabling Infrastructure</td>
<td>The upgrading of two (SRN and MRN) junctions required to unlock major mixed-use development.</td>
<td>Derbyshire and Bolsover District Council</td>
<td>£5.4million</td>
<td>Regeneration</td>
<td>61</td>
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<td>{Accelerated}</td>
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<tr>
<td>Avenue Site Southern Access</td>
<td>Provision of a new roundabout on the A61 including a link road. This will enable the development of dependent elements of the Avenue site delivering local employment, residential development and public open space.</td>
<td>Derbyshire and North East Derbyshire District Council</td>
<td>£7.26million</td>
<td>Regeneration</td>
<td>61</td>
</tr>
<tr>
<td>{Accelerated}</td>
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<tr>
<td>Southern Link Road/Land South of Newark</td>
<td>Construction of the Southern Link Road (SLR), unlocking and accelerating the delivery of 2,550 homes, 5,000 jobs, a new country park, new primary school, and community facilities. The project has political, community, and public authority support.</td>
<td>Newark and Sherwood District Council</td>
<td>£9million</td>
<td>Housing</td>
<td>61</td>
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<tr>
<td>{Accelerated}</td>
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</table>
Projects that scored below 61 and were not submitted to MHCLG

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<tr>
<th>Project Name</th>
<th>Description</th>
<th>Area</th>
<th>Bid Value</th>
<th>Project Type</th>
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<tbody>
<tr>
<td>Castle College site</td>
<td>The Castle College site will become vacant in February 2021. Once vacant, the site will transfer to Nottingham City Council. Funding is requested to support the preparation of the site for development, prior to appointing a private developer.</td>
<td>Nottinghamshire</td>
<td>£4.06 million</td>
<td>Regeneration</td>
<td>59</td>
</tr>
<tr>
<td>Esports NTU</td>
<td>Working with the British Esports Association and Dell, the Confetti Institute of Creative Technologies (part of Nottingham Trent University) propose to create a world-class Esports complex in Nottingham’s city centre. The complex will benefit thousands of FE and HE students to learn the creative technology skills needed to be part of the burgeoning Esports industry.</td>
<td>Nottingham City</td>
<td>£1.2 million</td>
<td>Innovation</td>
<td>59</td>
</tr>
<tr>
<td>University of Derby Enterprise Centre</td>
<td>The building of a new wing of the Enterprise Centre focusing on business diversification and growth in Low Carbon 4.0 sectors. The Innovation Hub will be an accessible, 5G enabled facility providing office, meeting and training and development space supporting businesses/entrepreneurs with the adoption of new technology to adapt to new market conditions.</td>
<td>Derby</td>
<td>£5 million</td>
<td>Innovation</td>
<td>59</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>Future Food Brackenhurst/NTU</td>
<td>The Future Food Hub would enable NTU to develop highly innovative, sustainable approaches to food production. The Hub will provide training for the next generation of students for Green Sector jobs focussed around food production. It would also help businesses identify collaborators for future enterprises and access training, CPD and support in innovative approaches to future food production.</td>
<td>Newark &amp; Sherwood DC</td>
<td>£1.5million</td>
<td>Innovation</td>
<td>58</td>
</tr>
<tr>
<td>Innovation Hub (Bolsover)</td>
<td>The innovation hub would host an institute of technology alongside flexible space for start-ups/training and form a gateway at the entrance to the Markham Vale and former Coalite employment sites.</td>
<td>Derbyshire/Bolsover District Council</td>
<td>£9million</td>
<td>Innovation</td>
<td>57</td>
</tr>
<tr>
<td>Digital Nottingham – Data and mathematical science innovation hub for the region (crocus place)</td>
<td>The creation of a digital skills and innovation hub in Nottingham City Centre. The hub will act as a catalyst for the creation of an innovation district attracting high-quality employment into the city centre. Located at the heart of the emerging business district alongside Experian, Capital One and HMRC the facility would provide space for innovative digital businesses and employer focussed skills delivery alongside flagship research activity in Maths, AI, Data Science and Machine Learning.</td>
<td>Nottingham City</td>
<td>£12million</td>
<td>Innovation</td>
<td>56</td>
</tr>
<tr>
<td>Project Name</td>
<td>Description</td>
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<tr>
<td><strong>Destination Zero retrofit</strong></td>
<td>This proposal will accelerate the <em>Destination Zero</em> approach to whole-house retrofit of difficult-to-treat solid wall social housing properties in Nottingham. It will also include the development of offsite manufacturing capacity for components to support this integrated and incremental modular approach - including offsite solar roofs and external modular Mechanical and Electric system units.</td>
<td>Nottingham City</td>
<td>£28.5million</td>
<td>Clean Energy/Resource Efficiency</td>
<td>55</td>
</tr>
<tr>
<td><strong>Arnold marketplace</strong></td>
<td>This regeneration scheme delivers 632 sqm of employment space and will be the catalyst for the town centre to re-bound after Covid19. The scheme includes the construction of a new two–storey landmark building, which has been orientated to frame the new marketplace and create a new eastern gateway into the town. A new public square is included within the proposal to create a central focal point to provide an flexible external space for holding events and performances.</td>
<td>Nottinghamshire / Gedling Borough Council</td>
<td>£1.4million</td>
<td>Regeneration</td>
<td>53</td>
</tr>
<tr>
<td><strong>Yorke Drive</strong></td>
<td>This project will regenerate an existing social housing estate which is suffering high levels of deprivation, including the selective demolition of 130 existing homes and the rebuilding of 320 mixed-</td>
<td>Newark and Sherwood</td>
<td>£3.76million</td>
<td>Regeneration</td>
<td>52</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>tenue homes. The project will deliver a new community sports pavilion, new access road for greater local connectivity, improved public realm, and cycle and walking routes to link the community to adjacent employment opportunities on Newark Industrial Estate.</td>
<td>Derbyshire / Bolsover District Council</td>
<td>£3million</td>
<td>Health and Wellbeing</td>
<td>52</td>
<td></td>
</tr>
<tr>
<td>Active travel walking</td>
<td>The District has a wealth of cycle tracks and public footpaths, but there are missing links that prevent more active use. This project aims to join up the existing networks to promote opportunities to walk and cycle to work and create walkable town centres.</td>
<td>Derbyshire / Bolsover District Council</td>
<td>£3million</td>
<td>Health and Wellbeing</td>
<td>52</td>
</tr>
<tr>
<td>Newark College Construction</td>
<td>The development of a Construction College at Newark centred on a modern, state of the art, employer-supported plumbing training facility which will allow the delivery of plumbing training, gas testing and assessment for apprenticeships. These new facilities will then be utilised to provide endpoint assessment for apprentices within the Newark and Sherwood District area and the wider region.</td>
<td>Newark and Sherwood</td>
<td>£1million</td>
<td>Skills</td>
<td>51</td>
</tr>
<tr>
<td>Shirebrook Hub Centre</td>
<td>The benefits of the project are expected to improve community facilities and customer experience of public services through single-point ‘hub’ and ‘multi-</td>
<td>Derbyshire/ Bolsover District Council</td>
<td>£10million</td>
<td>Health and Wellbeing</td>
<td>48</td>
</tr>
<tr>
<td>Project Name</td>
<td>Description</td>
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<td>Cresswell Health and Wellbeing Centre</td>
<td>The proposal will support the construction of an aspirational community facility to encourage broader engagement from across the local community with a focus on physical activity, social interaction, health and wellbeing. It will also provide employment and training opportunities.</td>
<td>Bolsover District Council</td>
<td>£2.4million</td>
<td>Regeneration</td>
<td>47</td>
</tr>
<tr>
<td>Bolsover Town Centres</td>
<td>Bolsover District has four key Market Towns. Each of them has regenerations needs and need energising investment to grow and strengthen their economic vibrancy. The proposal is part of a comprehensive Regeneration Framework which outlines a number of programmes to meet the needs of each town, with a focus on improving health and wellbeing and digital infrastructure.</td>
<td>Bolsover District Council</td>
<td>£20million</td>
<td>Regeneration</td>
<td>47</td>
</tr>
<tr>
<td>Future Food Processing Accelerator Sutton Bonington Campus</td>
<td>This proposal will support Post Covid-19 green recovery, driving up economic growth and jobs in the Food &amp; Drink Manufacturing sector. The targeted investment will accelerate the research</td>
<td>Nottinghamshire</td>
<td>£5million</td>
<td>Innovation</td>
<td>45</td>
</tr>
<tr>
<td>Project Name</td>
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<tr>
<td>Green Chemicals Manufacturing Laboratory</td>
<td>This project will accelerate plans to refurbish outdated space and provide state of the art facilities for scientists from regional companies to work with world-leading academics. It will support the deployment of innovative green chemical manufacturing processes (resource and energy-efficient) to increases in productivity and skilled jobs.</td>
<td>Nottinghamshire</td>
<td>£8million</td>
<td>Innovation</td>
<td>43</td>
</tr>
<tr>
<td>D2 Town Centres</td>
<td>The proposal consists of a broad programme of town centre projects (deliverable by March 2022) including Glossop Municipal Buildings and Bakewell Road, Matlock. Proposed as a mini competition for projects – each demonstrating high value for money</td>
<td>Derbyshire / High Peak Borough Council /Derbyshire Dales District Council</td>
<td>£10million</td>
<td>Regeneration</td>
<td>43</td>
</tr>
<tr>
<td>Nottingham Vaccine Centre</td>
<td>The proposal will establish Nottingham’s Castle Court site as a Vaccine Research Centre in collaboration with Vax Hub and the University of Nottingham. This will</td>
<td>Nottingham City</td>
<td>£2.55million</td>
<td>Innovation</td>
<td>37</td>
</tr>
<tr>
<td>Project Name</td>
<td>Description</td>
<td>Area</td>
<td>Bid Value</td>
<td>Project Type</td>
<td>Project Score</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
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<tr>
<td>AI Automated production strain development</td>
<td>This project aims to expand and accelerate the yeast strain development programme for vaccine and SARS-CoV-2 (COVID-19) antigen production by Phenotypeca Ltd by enabling access to the Synthetic Biology Research Centre (SBRC) Robotics Facility in the University of Nottingham's Biodiscovery Institute.</td>
<td>Nottingham City</td>
<td>£0.75million</td>
<td>Innovation</td>
<td>37</td>
</tr>
</tbody>
</table>
D2N2 LOCAL ENTERPRISE PARTNERSHIP
BOARD REPORT

DATE: 8 July 2020
REPORT LEAD: Tom Goshawk
AGENDA ITEM: 2.5

TITLE: Woodville Swadlincote Regeneration Route: LGF Project for approval

1 Introduction
This paper seeks an approval of Local Growth Funding for the Woodville Swadlincote Regeneration Route project.

The project is being directly presented to the LEP Board to enable the project to progress in time and achieve its September start on site.

2 Recommendation
The LEP Board are recommended to approve £6.4m of Local Growth Funding for the Woodville Swadlincote Regeneration Route Project.

A full business case has been submitted and reviewed, the submission complies with all aspects of the Local Assurance Framework apart from the requirement to own all land and a completed procurement process.

Therefore, this approval will be subject to Secretary of State sign-off and the procurement exercise giving a satisfactory outcome, this is anticipated in advance of the meeting.

3 Project Overview
The applicant for the project is Derbyshire County Council as the transport authority for the area.

This Project aims to unlock the development of the Woodville Regeneration Area which is located within Swadlincote’s urban area in South Derbyshire. The project involves the construction of a new link road across a former Brownfield site which will unlock a large-scale development to create new employment floorspace and residential areas, delivering 3,100 jobs and 300 homes to the local area.

Alongside the economic benefits that the project will deliver, it also delivers significant transport benefits by providing an alternative route for traffic accessing the town of Swadlincote, and also for east-west journeys between the M1/A42/M42 and A38/A50 trunk roads. Journey times along the A511 are currently impeded at the A511/A514 Clock Roundabout leading to chronic congestion and a higher than average accident record.
The Housing and Commercial Developers that are involved with the delivery of the outcomes will look to proceed in a concurrent manner with the delivery of the road infrastructure.

The Local Growth Fund contribution is part of an overall package of funding which is set out below:

<table>
<thead>
<tr>
<th>Funding Source</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derbyshire County Council (inc. S106 contributions)</td>
<td>£7,024,059</td>
</tr>
<tr>
<td>Local Growth Fund</td>
<td>£6,400,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>£13,424,059</strong></td>
</tr>
</tbody>
</table>

4 Approvals

All necessary approvals are in place for the scheme to be delivered which include:

- Planning Permission was approved on the 23rd of December 2019
- The Compulsory Purchase Order public inquiry took place in January 2020 and an outcome is expected in July.
- Derbyshire County Councils Committee meeting on the 16th of January 2020 approved the match funding for the project.

5 Procurement

Aecom is the current framework supplier for design services under the Midlands Highways Alliance and have developed the detailed design for the project.

The construction contract has been through an open tender process. The project sponsor will have completed and approved a contractor by the time of the 8th of July meeting.

6 State Aid

The promoter has confirmed the project is State Aid compliant following independent advice.

7 Business Case

The business case has been independently reviewed by Hatch Regeneris who have confirmed that the project meets the VFM requirements to grant approval.

8 Delivery Programme

The delivery timetable for the scheme is set out below:

- Mobilisation / Preliminary Works - September 2020
- Road Construction - September 2020 – August 2021
- Road Open - September 2021
9 Outputs and Outcomes
Through the intervention the project will create:
- 3,100 Jobs
- 300 Homes

10 Spending Profile
The profile of expenditure of the Local Growth Fund is as follows which based on the nature of the project is achievable, especially given the early enabling and sunk costs.
- 20/21 £6,400,000

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

The Investment Board are asked to approve the project and to release the £6,400,000 of LGF on the condition that the Secretary of State sign-off of the CPO process and the procurement process confirms a contractor has been selected in advance of the 8th of July.

12 Recommendation
The LEP Board are asked to approve the project and to release the remaining £6,400,000 of LGF subject to the confirmation of the procurement exercise and Compulsory Purchase Order sign off.
Local Assurance Framework

Final stage Approval Check List:

<p>| | | |</p>
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</thead>
<tbody>
<tr>
<td>1.</td>
<td>A detailed ‘Green Book’ compliant business case has been completed detailing the project and its alignment to the five-case model.</td>
<td>A detailed business case for the project has been submitted to the LEP and follows the Five Case ‘Green Book’ compliant model.</td>
</tr>
<tr>
<td>2.</td>
<td>A VFM assessment must be completed. The VFM assessment will be independently assessed by D2N2 and must show an overall score of ‘High’.</td>
<td>A Value for Money assessment is currently being carried out by external consultants and has passed the VFM assessments.</td>
</tr>
<tr>
<td>3.</td>
<td>Details confirming that all planning consents have been granted and that all pre-start conditions have been met.</td>
<td>All pre-start conditions cannot be discharged in full until the S63 application has been determined. (due before the board meeting)</td>
</tr>
<tr>
<td>4.</td>
<td>Confirmation that any Section 106 or other agreements have been entered into.</td>
<td>All S106 agreements are secured, the project budget agreed by the County Council’s Cabinet underwrites these, if the developments did not go ahead and they did not reach their trigger for payment.</td>
</tr>
</tbody>
</table>
| 5. | Confirmation of the results of the procurement exercise detailing:  
  - the tenders received (along with detailed costs)  
  - the tender accepted (along with timescales/conditions) | The construction contract has been through an open tender process, in total ten tenders were returned, one being invalid. The Quality Assessment has been undertaken and combined with price scores to give a shortlist of three. These three have been invited to due diligence meetings to decide the preferred bidder. Variations are now being sought from bidders to minimise the Covid 9 risk against construction costs and a contractor will be confirmed by the 6th of July. |
| 6. | Details of the construction contract to be entered into by the promoter detailing:  
  - start date  
  - completion date  
  - liquidated damages/cost over runs | This will be a civil engineering NEC3 contract. |
7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered into, the contract will be completed in line with the details submitted. | Contracts are being finalised to mitigate against any Covid 19 risks, however the promoter will be liable for any cost overruns.

8. Confirmation that the project has been designed to RIBA stage 4 or its equivalent. | Detailed design has been completed

9. Details of any outstanding points preventing/delaying the start-up of the construction contract. | The Covid-19 situation has delayed the start-up of the contract as procurement and legal teams work through the details of the contracts to minimise the risk to the public sector.

10. Details of any changes for the project form the initial EOI and OBC submissions with reasoning behind these changes, including an updated viability report as submitted in point 5 of the OBC. | There are no changes.

11. Confirmation that all funding is now in place with details of the sources of funding, please include letters from third party funders confirming any conditions and timescales. | Derbyshire County Council have confirmed that funding was approved for the project at the 16th January 2020 cabinet meeting.

12. Confirmation that all land/legal agreements have been completed and are in the control of the promoter to deliver the entire project | The land at the north-western and south eastern end of the Regeneration Route is secured with exchanges pending confirmation of the CPO, which is expected to be confirmed in June 2020.

13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the outputs/outcomes that will be delivered on a quarterly basis. | Mobilisation / Preliminary Works - Sept 2020
Road Construction - Sept 2020 – Aug 2021
Road Open Sept 2021

14. An updated risk register identifying the key risks and the project manager responsible. The risk register needs to be scored and include a mitigation plan. | A risk register has been provided by the promoter and includes mitigations
1. Introduction
1.1 This report updates the D2N2 Board on recent developments relating to HS2.

2. HS2 Phase 1 Notice to Proceed
2.1 The Government gave HS2 Ltd formal ‘notice to proceed’ with the construction of Phase 1 of HS2 between London and Birmingham on the 12th April 2020. Up to that point HS2 Ltd had only been able to undertake enabling works. The ‘notice to proceed’ enables the four main civil engineering contracts to be mobilised – which will have a positive impact on the number of contractors and SMEs based in the East Midlands.

3. Integrated Rail Plan for the Midlands and the North

3.2 To inform the development of the IRP, the Government has asked the National Infrastructure Commission to produce a Rail Needs (HS2) Assessment. The NIC issued a call for evidence on the 25th of March 2020, with a closing date of the 29th of May 2020: https://www.nic.org.uk/publications/rail-needs-assessment-hs2-call-for-evidence/

3.3 A regional submission to the call for evidence is available here. It was developed through the East Midlands HS2 Strategic Board chaired by Cllr Kay Cutts MBE, and also signed off by the Chair of TfEM Sir Peter Soulsby. The submission is based around three core messages:

- **Deliver in Full**: The Eastern Leg of HS2 is critical to the long term economic success of the East Midlands and UK plc and must be delivered in full. This must include the East Midlands Hub Station at Toton (with provision for city centre HS2 services via a conventional compatible connection), HS2 connectivity for
Chesterfield and Sheffield, the Infrastructure Maintenance Depot at Staveley, and a fully upgraded HS2 Station in Leeds.

- **Deliver Early**: There are credible options for the incremental construction of the Eastern leg of HS2 which would deliver wider network and local economic benefits much earlier than would otherwise be the case. These options should be developed further in close collaboration with regional and local stakeholders.

- **Invest Now**: Implement a ‘10 Year Plan’ of investment that will improve local transport, support early development of key sites and prepare the way for HS2. This must include the full electrification of the Midland Main Line, removal of the Low Level Rail Line in Long Eaton and delivery of the Phase 1 Package of the East Midlands Gateways Connectivity Study.

4. **Access to Toton (East Midlands Gateways Connectivity Study) Report**

4.1 Following the completion of a substantial body of technical work jointly funded by Local Transport Authorities, Highways England and Midlands Connect, and overseen by the HS2 Executive Board chaired by Cllr Kay Cutts MBE, the ‘Access to Toton’ summary report was launched on the 28th May 2020 by Sir John Peace.

4.2 The summary report is available [here](#) and sets out a three phased approach to addressing existing transport deficits, supporting growth and preparing the way for HS2. The Phase 1 package of measures is designed to be built out over the next 10 years and are estimated to cost £455 million with a combined business case BCR of more than 4 to 1 (transport user benefits only). All three phases are summarised in the diagram below.

5. **Recommendation**

5.1 The D2N2 Board is asked to note recent developments relating to the delivery of HS2