## D2N2 LEP BOARD – AGENDA

**Tuesday, 31 March 2020 (10.00am – 12 noon)**

By dial in: 0333 0110 443 / Room 72695118# / PIN 8485#

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Welcome and Introductions</td>
<td>Verbal</td>
<td>10.00</td>
</tr>
<tr>
<td>1.2</td>
<td>Declarations of Interest</td>
<td>Verbal</td>
<td>10.03</td>
</tr>
<tr>
<td>1.3</td>
<td>Minutes of meeting 31/1/20 and matters arising</td>
<td>Paper</td>
<td>10.05</td>
</tr>
<tr>
<td>2.</td>
<td><strong>Strategic discussion</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>COVID-19 Co-ordination Discussion</td>
<td>Sajeeda Rose – input from all board</td>
<td>Paper</td>
</tr>
</tbody>
</table>
| 2.2 | Chair’s Report, including:  
  a) Local Industrial Strategy Update (App A)  
  b) Freeports Consultation (App B)  
  c) Partnership Engagement  
  d) Advisory Boards Update and specific focus on People and Skills | Elizabeth Fagan  
  Prof K Mitchell/Rachel Quinn | Presentation | 10.50 |
| 2.3 | D2N2 Chief Executives Report, including:  
  a) Budget 2020 Update  
  b) Growth Hub update  
  c) Foreign Direct Investment Key Account Management  
  d) Marketing and Comms update  
  e) ESIF Update | Sajeeda Rose | Paper | 11.10 |
| 2.4 | Midlands Engine Development Corporation Strategic Business Case update | Anthony May | Paper | 11.20 |
| 2.5 | Capital programme Performance Update (including ratifications of project approvals) **Exempt item under Local Government (Access to Information) Act** | Sajeeda Rose | Paper | 11.40 |
| 2.5(i) | Markham Vale EZ Report | Cllr Barry Lewis | Paper | 11.50 |
| 3. | **Any other business** |   | 11.55 |
| 4. | **Date of next meeting:** Tuesday, 19 May, 2020 (10 am – 12 noon) tbc |   |   |
Item 1.3: DRAFT Key Decision/Action Points from Board

D2N2 LOCAL ENTERPRISE PARTNERSHIP BOARD MEETING

Friday, 31 January, 2020

North East Derbyshire District Council, 2013 Mill Lane, Wingerworth, Chesterfield S42 6NG

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 Co Council
Paul Harris Business Representative
Jane Howson VCS Representative
Cllr Barry Lewis Leader Derbys County Council
Cllr David Mellen Leader, Nottm City Council
Prof Kathryn Mitchell H E Representative
Cllr Chris Poulter Derby City Council
Viv Russell Business Representative
Karen Smart Business Representative
Cllr Martin Thacker NE Derbyshire District Council
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

Nicki Jenkins Director, Nottingham City Council CEO
Kath Marriott Rushcliffe Borough Council CEO
Dan Swaine Joint CEO Bolsover and N E Derbyshire DCs
Adrian Smith Deputy Chief Executive, Nottinghamshire County Council
Greg Jennings Director, Derby City Council CEO
Frank Horsley Head of Econ. Dev, Derbyshire County Council
Joanne Rowelle Arup Consultants

Officer Support

Sajeeda Rose Chief Executive, D2N2
Tom Goshawk Head of Capital Programmes, D2N2
Rob Harding Head of Communications and Marketing, D2N2
Will Morlidge Head of Strategy and Policy, D2N2
Peter Handford Derbyshire County Council Director of Finance (S151 Officer)
Sarah Wainwright Derbyshire County Council Snr Accountant and D2N2 Monitoring Officer
Apologies

Apologies were received from Board members Cllr Robinson, Emma Rigler and Jayne Mayled. From the supporting officers, apologies were received from East Midlands Chamber’s CEO, Scott Knowles.

1.1 Welcome and Introductions

The Chair welcomed attendees to the meeting, including LEP sponsor, Susan Caldwell and Derbyshire County Council Finance Director and s151 Officer, Peter Handford.

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 19 December, 2019 were confirmed as a true record.

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

2.1 Chair’s Report

The Chair introduced her report which included 3 elements:

i) An update on the LIS, including a presentation by Joanna Rowelle, Director of City Economics and Planning at consultants, Arup;

ii) An update on the Advisory Boards, including a Place Board presentation by Deputy Chair and Place Board Chair, David Williams;

iii) An update on partner engagement.

i) LIS Update

Elizabeth Fagan invited Joanna Rowelle to present her slides. Joanna Rowelle took Board through a short summary presentation, highlighting how comments from the previous Board had been incorporated in the latest draft that had been circulated to Members.

She drew attention to specific elements of the vision and propositions that tied in well with current-emerging Government thinking, including the ‘green heart’ reference and proposition 2 on clean growth for D2N2 addressing the climate change agenda, as well as a focus on skills and upskilling for productivity.

Board was reminded that the deadline for submission to Government of the final strategy was 31 March, 2020.

A general discussion followed.

Under proposition 1 on improving business support to education, skills and business support systems, Dawn Ward highlighted the need to develop an apprenticeship programme based on industry-led national standards which had yet to be fully developed. There was agreement that the skills proposition was not yet as ambitious as it should be.
Jane Howson voiced concern at the reference on p18 to requiring the National Lottery to work with D2N2 on joint priorities for local investment, pointing out that this fund existed to support charitable causes and was the only place that some charities could go to for funding.

Cllr Mellen felt that the latest draft was a much-improved document but commented that a specific example showing D2N2’s environmental ambitions should be included with mention of Nottingham being the furthest forward of the cities in its aim to become carbon-neutral.

Cllr Thacker reiterated a desire to include more examples from towns and felt that it was important to show a strong link in the LIS to the new Towns Fund.

Viv Russell referred to the regions strength in mineral and cement production for the construction industry. We produce 90% of the lime the country needs for water purification and 85% of its energy from waste, and we can therefore deliver huge progress towards zero carbon as we lead the way in decarbonising the construction supply chain so we should therefore build this strength within the LIS.

The Chair thanked the presenter and summarised the discussion points as agreeing that the draft was moving in the right direction, with pointers to build on to make the final version bolder in its ambition.

ii) Advisory Boards Update

Elizabeth Fagan drew Board’s attention to notes in her report updating on the Advisory Boards and invited David Williams, Chair of Place Board to provide an update to Members.

David Williams spoke to a slide presentation. In summary, the biggest challenge for this Advisory Board was now to incorporate coherently within Place all aspects of a growth strategy (business environment, skills, people and infrastructure) across a vastly diverse geographical area.

Work to date had incorporated input from all 4 upper tier authorities and good collaboration had taken place with a number of regional partners including on proposals for housing delivery with Homes England. A significant challenge remained, however, to refine priorities amongst such a large group. David Williams proposed to split the Board into a number of task and finish groups to achieve this.

The Place Board will be looking at pulling together a coordinated Place plan for the region which will also align with the work of the Town Fund areas across D2N2. There is a specific workstream to support the Towns Fund areas which will feedback to the Place board at the next meeting.

Some general discussion ensued on how best to position Place outcomes for the benefit of the whole region – eg choosing schemes that would have the biggest overall impact including amongst related supply chains or considering a spatial distribution based on projects covering all parts of the area.

Susan Caldwell on behalf of central Government confirmed that a clear message was coming from the new Government to focus at pace on climate change, as well as on investment into the regions as part of the ‘levelling up’ agenda.

Existing projects that could be ready to go should not be discounted but rather presented in revised form to match the current narrative.

The Chair thanked David Williams, Susan Caldwell and Members for their input.
iii) Partner Engagement

On partner engagement, Elizabeth Fagan drew Board’s attention to the notes in her report covering engagement with key partners including all Local Authority Leaders, a dinner for key business leaders in the D2N2 area and meetings to secure ongoing dialogue with the region’s MPs.

She invited Susan Caldwell to comment on the focus of this work.

Susan Caldwell confirmed that these initiatives tied in with emerging policy from central government. All Government departments were being challenged on how they were supporting the regions. There was a big focus on climate change.

Board RECEIVED and NOTED the Chair’s report.

2.2 Chief Executive’s Report

Sajeeda Rose presented her report updating Board on a number of items including:

a) Annual Performance Review (APR)
b) Growth Hub update
c) Stronger Towns Fund
d) Marketing and Communications Update.

and referred members to the notes under each item.

On the APR, the Chief Executive reported that a productive meeting had taken place with BEIS on 23 January, 2020 and progress had been demonstrated in all areas of assessment.

On the Stronger Towns Fund, Sajeeda Rose confirmed that work was under way with partners in areas that had received backing from the fund to proactively support the new Town Deal Boards. Members were encouraged to put themselves forward if they were interested in joining these boards, a recommendation endorsed strongly by the Chair.

Board NOTED the report.

2.3 Performance Review and Update


The Chief Executive reported significant progress on spend with more than £33m now accounted for in this financial year against an end of year target of £40M. Outputs remained challenging and monitoring would continue. A further report would be made updating this to the March Investment Board.

The CEO drew Board’s attention to the decision of the Investment Board to grant £1m of Local Growth Funding to the Ashbourne Airfield project and asked Members to ratify and confirm the decision.

Board CONFIRMED the decision of the Investment Board to grant £1m of Local Growth Funding to the Ashbourne Airfield project.

The CEO reported that following the pipeline call in the summer 5 projects had been shortlisted and endorsed by the Investment Board to be brought on to the programme. Board
were asked to ratify the decision.

Board **CONFIRMED** the decision of the investment Board to bring forward the 5 identified projects to full business case.

Cllr Poulter was invited to summarise for Board the present situation concerning refurbishment of the Derby Assembly Rooms. He informed Board that following well-publicised project management difficulties, the project had been halted when it had become apparent that costs were forecast to escalate from the initial £24m to £33m. The regeneration of the Assembly Rooms remained the number one priority for Derby City Council and other options for its renewal were being explored.

This meant that £4m had gone back into the LGF pot. Given that this funding was now available, alongside the potential for further projects at risk Board was asked to consider and approve the launch of a new short-term call for new projects by way of risk mitigation.

Board **APPROVED** the recommendation of Investment Board to open a further pipeline call for potential new projects and **CONFIRMED** acceptance of five new projects onto the LEP’s Capital Programme for funding before March, 2021.

2.4 East Midlands Free Trade Zone Proposal

Board considered a confidential report concerning the development of an East Midlands Free Trade Zone (‘free port’) based around East Midlands Airport.

It was agreed that moving forward this will be referred to as the East Midlands Freeport Enterprise Zone.

Board supported the outline concept and initial steps proposed and **AGREED** to take this forward.

3. Any Other Business

Cllr Cutts advised Board that Nottinghamshire County Council had launched a new ‘My Notts’ app on 30 January, 2020 which would be a platform for event organisers to record and promote events taking place in the area. It was envisaged that this would significantly assist in growing the local visitor economy.

4. Date of next meeting

Tuesday, 31 March, 2020 (10.00am – 12.00 pm) – venue tbc.
COVID 19 CO-ORDINATION

The scale and speed of the COVID-19 pandemic is proving an unprecedented challenge on a global, national and local scale. The recent Government measures to contain the spread of the virus, manage its peak and save lives has meant support and advice to mitigate the economic impact is both profound and changing daily. Within this context, LEPs are providing practical local co-ordination to ensure that there is clear and concise communication on the support available to business as well as ensuring that monitor the impact on local businesses to feed back into Government and influence current and future support.

D2N2 is taking an active coordination role in working with national, regional and local partners focusing resources on supporting partner organisations and ensuring clear, coherent and consistent advice and help to our business base.

A “hub” has been created to co-ordinate the partnership effort in tackling COVID-19 and includes the LEP, Growth Hub, East Midlands Chamber, FSB and CBI liaising directly with BEIS locally. Its role is as follows:

- Regularly reviewing and updating of Growth Hub Covid-19 business advice as details emerge both at a national level and any complementary local support available.
- Working with Local Authorities who will be delivering the grant schemes/Business Rate rebates.
- Ensuring consistent messaging across the D2N2 region to demonstrate leadership and our role as a partnership in helping Government meet the challenge.
- Gathering intel from a range of sources to feed into HMG (via BEIS locally) and informing ongoing efforts and any future resilience and recovery plan.
- Coordinating communications with sector groups, other business representative organisations, delivery partners (eg British Business Bank) and promoting good practice and highlighting issues emerging.

In addition, the “hub” will commence the development of a D2N2 recovery plan once the current crisis has subsided.

We are also exploring how we can support partners and businesses to co-ordinate the redeployment of redundancies to areas of staff shortages. A further update will be provided at the board meeting.

Finally, the LEP Network have offered support to HM Government in a letter to the Minister of State for Housing, Communities and Local Government dated 17 March, 2020. Dialogue is continuing via the supra-regional approach to consider potential options for LEPs to flex
funding and function in support of the national effort to tackle the economic impact of COVID-19 – in particular exploring additional capacity into the growth hubs and flexibility on the use of the ERDF reserve fund, unallocated Growing Places Fund and future Local Growth Fund.

Attached to this briefing is a current summary produced by the East Midlands Chamber (as of 23 March 2020) on the support available to both businesses and individuals based on the announcements by the Chancellor.
## Covid-19: Business support information sheet

This is a dynamic sheet which is being regularly updated. Key interventions from the Chancellor (20 March) highlighted in red.

For more information, please call the Chamber’s Information team on 0333 053 8639

<table>
<thead>
<tr>
<th>Subject</th>
<th>Measure</th>
<th>Date available</th>
<th>Application process</th>
<th>Contact information</th>
</tr>
</thead>
</table>
| **Statutory Sick Pay (SSP)** | People who cannot work due to coronavirus and are eligible for SSP will get it from day one, rather than from the fourth day of their illness  
SSP will be payable to people staying at home on Government advice, not just those who are infected  
If employees need to provide evidence to their employer that they need to stay at home due to coronavirus, they can get it from NHS 111 Online instead of having to get a fit note from their doctor  
Self-employed claimants on Universal Credit required to stay at home or are ill as a result of coronavirus will not have a Minimum Income Floor applied for a period of time while affected | Retrospectively from 13 March 2020 | Directly with employer | [https://www.gov.uk/statutory-sick-pay/how-to-claim](https://www.gov.uk/statutory-sick-pay/how-to-claim) |
| **SSP Relief** | Statutory sick pay relief package for SMEs  
This refund will cover up to two weeks’ SSP per eligible employee who are either ill or been told to self-isolate.  
Employers with <250 employees (as of 28 February) can reclaim SSP for employees unable to work due to coronavirus. Refund will be for up to two weeks per employee. | Retrospectively from 13 March 2020 | Government will work with employers to set up the repayment mechanism for employers as soon as possible | [https://www.gov.uk/employers-sick-pay](https://www.gov.uk/employers-sick-pay) |
| **Business Rates Holidays** | A 12-month business rates holiday for retail, hospitality and leisure businesses in England  
If you are currently receiving the retail discount for your Business Rates bill, you will receive a revised bill with 100% relief.  
If your business occupies a property in the retail sector with a rateable value of £51,000 or more, or your business occupies a property in the leisure/hospitality sectors, you may also be eligible for the 100% discount on your business rates bill. | Guidance to be published by 20 March | Contact your Local Authority | [https://www.gov.uk/find-local-council](https://www.gov.uk/find-local-council) |
# Covid-19: Business support information sheet

This is a dynamic sheet which is being regularly updated. Key interventions from the Chancellor (20 March) highlighted in red.

For more information, please call the Chamber’s Information team on 0333 053 8639

## For those that pay little or none:

- If you are a nursery, you will be entitled to the 100% relief for the next year. You should contact your Local Authority for more information.

You are entitled to a one-off cash grant of £10,000:
- If your business is in the retail, hospitality or leisure sector in England, you may be entitled to a cash grant. If you have a property with a rateable value of less than £15,000 you will be entitled to a grant of £10,000, whether or not you are entitled to small business rate relief or rural rate relief. If you have a property with a rateable value of between £14,999 and £51,000 you will be entitled to a cash grant of £25,000.

## Loans

The Coronavirus Business Interruption Loan Scheme to support long-term viable businesses who may need to respond to cash-flow pressures by seeking additional finance:
- Temporary Coronavirus Business Interruption Loan Scheme, delivered by British Business Bank, will support businesses to access bank lending and overdrafts.
- Government will provide lenders with a partial guarantee of 80% on each loan to give lenders further confidence in continuing to provide finance to SMEs.
- The Government will not charge businesses or banks for this guarantee, and the Scheme will support loans of up to £5m in value. The first six months of these loans will be interest free, as the Government will cover these payments.
- Business remain responsible for repaying any facility they take out.

Funding from early April

Local Authority will then be in touch in the coming weeks to provide details of how to claim this money

## Tax

The HMRC Time To Pay Scheme to help with tax

Ongoing

Call HMRC - 0800 0159 559

[https://www.gov.uk/difficulties-paying-hmrc](https://www.gov.uk/difficulties-paying-hmrc)

## Business Insurance

Government’s medical advice is sufficient to enable businesses which have insurance policy that covers both pandemics and Government ordered closure to make a claim

16 March

Directly with your own insurance company


## Mortgage Break
- Mortgage lenders have agreed to support customers experiencing issues with finances as a result of Covid-19, including payment holidays of up to three months, to give people time to recover and ensure they do not have to pay towards their mortgage in the interim.
- **17 March**
- Directly with your own mortgage company

## Essential Workers
- Parents whose work is critical to the COVID-19 response include those in health and social care and in other key sectors.
- **20 March**

## Chancellor’s emergency measures
- Government will help pay people's wages through a coronavirus job retention scheme.
- Businesses can apply for a grant of up to £2,500 a month to cover 80% of salary for those retained but not working
- VAT for all businesses deferred until end of June and the business loan scheme will now be interest free for 12 months
- Universal Credit allowance increases £1,000 a year and the next tax self-assessments will be deferred until start of next year
- Self-employed will get full Universal Credit at a rate equivalent to statutory sick pay, and a further £1bn to cover 30% of house rental costs
- Further measures next week (w/c 23 March) to ensure SMEs will be able to access the credit they need
- **20 March**
- Many of the measures will be implemented at Government level.
- Grant applications can be made through HMRC - 0800 0159 559 with information available from the Chamber’s Information team
Covid-19: Business support information sheet

This is a dynamic sheet which is being regularly updated. Key interventions from the Chancellor (20 March) highlighted in red.

For more information, please call the Chamber’s Information team on 0333 053 8639
D2N2 LOCAL ENTERPRISE PARTNERSHIP
BOARD REPORT

DATE: 31 March 2020
REPORT LEAD: Elizabeth Fagan
AGENDA ITEM: 2.2

TITLE: Chair’s Report

1. INTRODUCTION

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

   a. Local Industrial Strategy
   b. Freeports Consultation
   c. Partnership Engagement
   d. Advisory Boards Update: Focus on People and Skills Board

2. RECOMMENDATION

Board is asked to NOTE the report and:

   a. Delegate approval of the freeports consultation response to the Chair

3 LOCAL INDUSTRIAL STRATEGY

Since the presentation and discussion at the last board meeting, the Arup team along with the Executive team have continued to develop the emerging Local Industrial Strategy (LIS) taking into account the feedback from the board discussion and input from partners on the initial draft.

In terms of next steps, based on initial feedback from BEIS we are preparing “logic chains” explaining the underlying evidence behind each proposition in the strategy and the proposed actions to take them forward. As part of this, the government will examine our logic chains and LIS at the April meeting of its ‘LISA’ panel, which is a cross-Government group appraising and commenting on all LIS’s and in particular reviewing the quality and depth of the evidence base underpinning the emerging priorities. Once our LIS and logic chains are approved, we can then move forward to a more detailed negotiation around developing the strategy in conjunction with relevant government departments.

Based on the propositions within our strategy, key departments we will want to engage are BEIS (business support, innovation, sectors, power, climate change), MHCLG (housing), DEFRA (rural, water, climate change), DIT (key account management, inward investment), DFE (education and skills, social inclusion), DWP (adult skills, social inclusion), DFT (transport infrastructure) and DCMS (digital, visitor economy).

At the time of writing the deadline for LIS submissions is still 31 March 2020. Timescales for a Government response are likely to be tied to the forthcoming devolution white paper. However, in
light of the current Covid-19 virus crisis all timescales are very likely to be impacted and potentially on hold.

Once we have further clarity and feedback from government, we anticipate a further consultation in late summer on taking forward LIS actions. Included within the board pack is the draft version of our latest Local Industrial Strategy for noting (2.1 Appendix A)

4. FREEPORT CONSULTATION

On the 10 February, 2020 the government launched a 20-week consultation to inform its policy on establishing 10 freeports across the UK.

The government wants to establish freeports, which have different customs rules than the rest of the country, that are innovative hubs, boost global trade, attract inward investment and increase productivity. In doing so, the government wants freeports to generate employment opportunities to the benefit of some of the most deprived communities around the UK as part of its agenda for levelling-up the country.

The government has the following stated objectives for UK freeports:

- establish freeports as national hubs for global trade and investment across the UK
- promote regeneration and job creation
- create hotbeds for innovation

The government has drawn on evidence from successful freeports around the world to develop a UK freeport model. The proposed model includes tariff flexibility, customs facilitations and tax measures. The Government are also considering planning reforms, additional targeted funding for infrastructure improvements and measures to incentivise innovation.

The aim of the formal consultation is to capture local views on the UK’s plans for freeports, which will inform the final policy for their establishment.

Within the consultation the government have indicated clearly that:

- Ports need not be traditional ports, but can include inland sites (airports, rail, and other).
- Ports can be non-contiguous
- The legal need for secured sites was reaffirmed

Innovation was central to the policy thinking, with many means to achieve this including:

- Innovation in the port itself, with innovation challenges to strengthen zone infrastructure going forward
- Links to local research and universities
- Use of Freeport to trial new technologies with lower regulatory barriers – attracting in entrepreneurial firms

The consultation also makes clear that there is an expectation for one bid per area, and highlights the importance of public and private sector working together.
Board members will recall that within the East Midlands in response to the Government’s original call for ten new Freeports to be established, a combination of public and private sector partners have already come together to form a proposal for a new East Midlands Freeport Enterprise Zone. The partners D2N2, Leicester and Leicestershire LEP, local authorities and the key private sector businesses including EMA and major local landowners have agreed to collaborate to develop a potential proposition for a multi site Freeport to be established in the East Midlands. The proposition will involve development sites on the East Midlands Airport and surrounding area and the current Ratcliffe-on-Soar power station site which is set to be decommissioned by 2025.

Given the current impact of COVID-19 on airports and the aviation industry, the potential opportunities to stimulate future economic growth through Freeports will be even more critical than before as part of the future economic recovery.

We have convened a working group of all the partners, co-chaired by both LEP CEOS to co-ordinate a region wide response to the consultation and to fully develop the initial East Midlands Freeport Enterprise Zone Proposal once Government launch the anticipated formal call for Freeports to be established.

I have written to the Ministers and Secretaries of State that jointly signed the freeports consultation to welcome the consultation and share our emerging proposal, which has been acknowledged and welcomed by both Grant Shapps and Steve Barclay. Copies of both letters are enclosed as annexes to this report (Appendix B).

In order to provide specialist expertise to develop the proposal and initially co-ordinate the response to the consultation response due by 20 April, 2020 we have jointly procured consultants to support the working group.

Given that the deadline for consultation responses is in advance of the next board meeting, I am recommending that approval of the consultation submission be delegated to the D2N2 Chair.

**RECOMMENDATION: Delegate authority to approve the freeport consultation to the D2N2 Chair.**

5 ADVISORY BOARDS

Since we last met as a Board on 31 January, 2020 all of the advisory boards have met and below is an update along with next steps from each of the boards. In light of the current circumstances in relation to Covid-19 we have cancelled the Business Growth Board due to meet at the end of March and will continue to review future meetings, in the meantime the Executive Team will continue to progress activity and actions from each board.

In addition to the update below I have invited Kath Mitchell, the Chair the People and Skills Board to provide an update to the main board on progress and direction of travel at the meeting.

The *People and Skills Advisory Board* met on 18 February, 2020 and discussed the need for a clear place-based regional skills strategy, which will form part of the of the emerging Local Industrial Strategy (LIS).
Members reviewed a list of proposed metrics to ensure the strategy was outcome based, these were underpinned by the four areas of priority previously agreed by the advisory board based on our evidence as a region:

1. Future Workforce;
2. Skilled and Productive Workforce;
3. Inclusive Workforce;

The Board reviewed a number of tools developed through the analytical functions of the Skills Advisory Panel, which included a People and Skills indicator dashboard (a tool designed to help partners across D2N2 consider how skills levels might help prioritise place-based decisions) and an analysis of hard to fill vacancies in D2N2. Based on the vacancies data, the group agreed that individual labour market failures in 3 jobs would initially be further explored in terms of supply and demand analysis, these are:

1. Programmers and Software Developers;
2. Care workers;
3. Nursery and pre-school teachers.

Other actions arising include the development of a Youth Engagement Event to inform the skills strategy. The board also received an update from Department for Education on the National Retraining scheme with a view to rolling out the pilot to the D2N2 area.

The Place Board met on 25 February, 2020 and have a number of updates from individual working groups and partners that are progressing against the range of topics covered within the broad umbrella of the Place Board. Below is a summary from the meeting and agreed next steps:

- The Board discussed a list of 10 transformational schemes for the region as the basis for focusing future major investment, attached as an annex of a draft map that plots the key projects which are all being developed into outline projects (Appendix C).
- Simon Statham, Midlands Connect, gave an overview of the projects and priorities being delivered by Midlands Connect within D2N2.
- Andrew Pritchard, East Midlands Councils, updated members on: HS2; Connectivity study phases; and their overall transport strategy.
- Sajeeda Rose, D2N2 Chief Executive, updated the group on the working group convened to shape emerging local infrastructure priorities in particular in relation to sustainable transport and adapting to the future low carbon economy;
- Hayley Barsby, CEO of Mansfield District Council and Ruth Hyde, CEO of Broxtowe District Council provided an overview of the Stronger Towns Fund and details of the emerging priorities from the 8 town deal areas across D2N2;
- A final presentation from Gary Ellis, Derbyshire County Council, gave an overview of the Trent Valley Vision: an environmental initiative which aims to improve the landscape of the Trent Valley over a 50-year period.

**Key Actions**

- D2N2 to continue to work with the 4 upper tier authorities to refine the details on the 10 transformational projects and develop summary business cases for each project;
• D2N2 to work alongside the transport authorities and EMC to develop a D2N2 wide co-ordination plan on sustainable transport, and continue to identify future infrastructure priorities in delivering the LIS

• D2N2 to continue to co-ordinate the Stronger Towns Fund to ensure alignment with the LIS and support effective region wide activity to maximise impact

The Business Growth Advisory Board met on 11th February and has continued to focus on defining productivity in order to inform the LIS performance framework as well as improving communications and engagement to ensure our strategic priorities are reflected through the services delivered via the D2N2 Growth Hub. The governance link between the Advisory Board and the Growth Hub Executive (the body that manages delivery of the project) has now been re-established to closely monitor performance of our business support activities and ensure greater alignment across the region with other delivery organisations to meet the needs of businesses.

In the current context Growth Hubs are playing a key role in supporting businesses to deal with the impact of COVID-19, by being a central source of information on the support available from Government and being a resource to support businesses to access it.

The Innovation Advisory Board met on 10 February, 2020 and received feedback from task and finish groups investigating perceived barriers to innovation, changing business behaviours and improving innovation through public sector procurement activities. Further work is planned to establish a vision for innovation in the region and identify potential solutions to the barriers identified through a more coherent innovation support ecosystem.

Now that we have dedicated officer support within the Executive Team – Frank Horsley who joined the team at the start of February as the Head of Business and Innovation, both the Business Growth and Innovation Advisory Boards will be moving towards developing clear programmes of delivery that will focus on key activity to enhance productivity.

PARTNERSHIP ENGAGEMENT

Since the last Board Meeting, I have had ongoing discussions with key partners to inform and promote the work of D2N2 and the emerging vision for the region.

On the 6 February, 2020 I met with Robert Jenrick, MP Secretary of state for Housing, Communities and Local Government to provide him with an update on our work across D2N2 and in particular share the emerging priorities of the Local Industrial Strategy and our proposal for an East Midlands Freeport Enterprise Zone. Following that I also had a very positive meeting with the local conservative MPs from across the region to share with them the work of D2N2 and to gain their engagement and full support for our agenda.

I had scheduled a similar meeting with local labour MPS, and a number of individual 1-2-1s with local MP’s but due to the impact of the coronavirus we have now postponed the planned event and will re-schedule as soon as possible.

Elizabeth Fagan
Chair
31 March 2020
Foreword from Elizabeth Fagan CBE

This overview of our Local Industrial Strategy (LIS) provides insight into our ambitious plan for the D2N2 Local Enterprise Partnership.

D2N2 is home to 2.2 million residents and benefits from the fifth largest working age population of all 38 LEPs in the country. By focusing initiatives on unleashing the huge potential of our people and driving a step-change in our economy we can unlock more equitable and inclusive growth across all parts of our region. We want everybody who lives and works here to participate fully in our exciting future.

Our strategy is rooted in evidence, including a comprehensive quantitative and qualitative review of the region. We have looked at our data and spoken to our people including political leaders, businesses, and skills and education institutions. We have ensured their needs and aspirations are embedded in our plan.

A strategy is only as strong as the partners who will deliver it. I am therefore delighted by the level of engagement we have had from our small, medium and large businesses and local authorities. They sit at the heart of this work and will lead the drive towards a more productive and skilled workforce, with a cleaner and greener future for our cities and towns.

The strategy has been tested, checked and challenged and we are ready for Government to share our ambition, and our asks.

We are supporting our region with compelling proposals to Government including through a newly forming Locally Led Development Corporation and our ambition to realise a Freeport Enterprise Zone. This joined up approach to growth in our region is testimony to the strengthening working relationships across the East Midlands and beyond.

We are proud to be at the heart of the country and we are proud to champion our places, our people and our growth.

This document sets out the three guiding principles to deliver green and clean growth, with a series of ambitious supporting propositions, that will underpin our LIS. With Government’s support, we can deliver outstanding outcomes in the short, medium and long term, not just for D2N2 but for the UK economy as a whole.
**Our Vision**
The Green Heart and the visionary minds that will power UK Growth

**Our USP**
At the heart of England D2N2 is pursuing clean and green growth to power the jobs of the future. We are the *advanced manufacturing capital* of the UK, with more manufacturing jobs than any other LEP and the second highest manufacturing GVA (£8.1bn). We are the birthplace of the first industrial revolution and the original national park.

Through leading a *skills revolution linked to automation, innovation and digitalisation* we will continue to build on our manufacturing strength and innovation excellence based on the largest cluster of transport manufacturing and R&D in the country. The combination of these assets and heritage makes D2N2 *uniquely placed to demonstrate how the move to a low carbon economy* can be achieved.

**Our approach**
Whilst our past growth has been driven by carbon-intensive industries, we have the opportunity, with our infrastructure and ingenuity, to lead the most ambitious carbon turn-around in the country. Nottingham’s ambition to become the UK’s first carbon neutral city in the UK by 2028, building on its green initiatives across energy, housing and transport infrastructure, sets the tone for spreading cleaner growth across the wider region too.

Our region is home to world-class universities; centres of research excellence alongside productive businesses tackling some of the globe’s most pressing challenges such as climate change and food security. Our dynamic cities of Nottingham and Derby lead the charge across multiple sectors, including advanced manufacturing and engineering, health and pharmaceuticals and creative and digital industries, whilst our more rural towns and villages house thriving gems of industry, commerce, tourism and agriculture.

Our Local Industrial Strategy will drive a once-in-a-generation opportunity for the region, capitalising on opportunities presented by HS2 at Toton and Chesterfield, the redevelopment of the Ratcliffe-on-Soar Power Station, the strengthening advanced manufacturing clusters around Infinity Park and Pride Park in Derby, the thriving digital, creative and bioscience industries in the Core City of Nottingham, and our proposition for an East Midlands Freeport Enterprise Zone, to name a few.

This ambitious green revolution will act as the catalyst for a more productive and inclusive economy from which everyone living in, working in or visiting D2N2 can benefit. Our cities, towns and villages are diverse and brimming with potential, but many are left behind despite being in one of the most accessible locations in England. Equally, whilst many of our businesses are thriving, others are lagging in productivity.

With investment in skills, mobility and digital infrastructure, we can ensure a, more productive and better-connected workforce, more able to participate in and benefit from this change. Our cities, towns and villages will have something for everyone.
D2N2 is still ready to be the spark in the engine that powers UK growth, but that growth must be green. We will build on our past successes and pursue a step-change in the inclusivity, productivity and sustainability outcomes of its future growth. The following ambitious projects we are already delivering demonstrate our determination to invest where the evidence tells us we can have the greatest impact on productivity:

### Region Wide

**D2N2 Broadband Expansion**

Access to fibre broadband is a core priority for D2N2. It is an economic enabler and can break down barriers to social mobility and the labour market. £5.8 million of D2N2’s Local Growth Funding has been invested into the £64.5 million delivery of broadband internet expansion across Derbyshire and Nottinghamshire since 2015.

Digital Derbyshire has made faster broadband available to more than 102,000 homes and businesses across the county, with 95% of these enjoying ‘superfast’ speeds.

The Better Broadband for Nottinghamshire has provided superfast broadband to over 80,000 homes and businesses also. The programme aims to bring superfast broadband to over 98% of the country by the end of 2020, meaning the county now enjoys the second highest download speeds in the whole country.

This programme is especially vital in the LEP’s rural areas and for the area’s SMEs, which allows companies to improve and grow their operations online, no matter where they are located.

### Nottingham’s MedTech cluster

**BioCity**

BioCity was founded in September 2003 and houses over 60 companies and 500 people on site. The success of the initiative, which boasts a 91% start-up survival rate, has been helped by the support of Nottingham’s universities, on-site patenting experts and partners from legal and financial service firms.

In 2017, a striking £30 million ‘Discovery Centre’ extension opened, enabled by a £6.5 million investment from D2N2 via the Local Growth Fund.

**Medical Technologies Innovation Facility (MTIF)**

Nottingham Trent University’s MTIF has received £9.7m from D2N2. It will improve patient care by speeding up medical product development and getting innovations to market as quickly as possible – critical for business survival, growth and profitability.

**MediCity**

£750k of D2N2 funding has enabled MediCity, our flagship the health, wellbeing, and life sciences facility, to create an additional 29,800 square feet of space to host a cluster of new and growing health, medical technology and life sciences sector companies. We intend to create more than 150 highly skilled jobs by 2034.

### Buxton

D2N2 has invested £2 million into the redevelopment of one of the region’s most historic and magnificent buildings, Buxton Crescent. This has enabled this vital but much delayed project (restoration began in 2003) to finally be realised, showing D2N2’s ability to unblock barriers and deliver key sites.

The Grade I listed Buxton Crescent, originally built between 1779 and 1789 to help establish Buxton as a fashionable Georgia Spa Town, is undergoing a £68 million redevelopment and restoration.

The project will create an 80-bedroom, luxury five-star hotel and spa business on completion in 2020, as well as six retail units on the ground floor. The Crescent and Thermal Spa Experience and

### University of Derby Rail Research and Innovation Centre

In June 2019, a £1.4m Rail Research and Innovation Centre (RRIC) was opened at the University of Derby, enabled by a grant from D2N2’s Local Growth Fund. It is both an investment in the future of a key sector where our region has globally significant impact, but also backs our businesses to lead the way on delivering low-carbon technology.

The centre will develop expertise and technology around rail transport, including the decarbonisation of railways, helping industry partners to become more innovative and productive. Three technology demonstrators have been setup focus on advancing rail design and manufacture, data analytics and artificially intelligence in the rail industry, and future rail propulsion.
The development of the Pump Room will also create a new indoor attraction for the town. The restoration has created 350 jobs through the construction phase so far, with 140 jobs expected permanently. With a £4.5 million boost to the local economy through new spa-related businesses, as well as a heightened profile for Buxton’s tourism offer, many more jobs will be created too.

Building on Derby’s strength in the rail industry, the facility will support around 80 supply chain businesses, 15 new collaborative research projects and guide 20 companies through innovation funding applications by 2022, as well as enhancing the skills of 80 or more rail sector employees.
Our Region

2 pages

D2N2 covers a large and diverse area; encompassing the outstanding natural assets of the Peak District, the UK’s original National Park, and Sherwood Forest, the growing vibrant cities of Nottingham and Derby and historic market towns such as Buxton, Mansfield, Chesterfield, Newark-on-Trent and Worksop, serving culturally and environmentally rich rural hinterlands.

Despite stretching from the High Peaks near Manchester to the Derbyshire Dales bordering Sheffield, and down to the gently undulating Trent Valley, D2N2 benefits from a highly functional economic geography that is advantageously located at the heart of the country.

Epitomised by the birthplace of the Industrial Revolution at Derwent Valley Mills, D2N2 is ready to once again be the spark in the engine that powers UK growth. It is clear it can do this given the D2N2 economy is the 4th largest outside London and the South East. It contributes £48.4bn in GVA to the UK economy; 16% growth since 2012\(^1\), and our ambition is to add a further £9billion to our GVA by 2030 to reduce the productivity gap.

<table>
<thead>
<tr>
<th>Outstanding strengths</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing generates £8bn in GVA, ranking 2(^{nd}) outside London and the South East(^2).</td>
</tr>
<tr>
<td>One of the most functional economic geographies in the country – 92% of D2N2 workers live in the D2N2 area and 87% of D2N2 residents work in the D2N2 area(^3).</td>
</tr>
<tr>
<td>Research strengths in Environmental Sciences and Renewable Energy, Sustainability and the Environment.</td>
</tr>
<tr>
<td>D2N2 is one of the UK’s most accessible locations – 9 million people reside within 20 miles of its boundary and 80% of the country’s population within 4 hours drive(^4).</td>
</tr>
<tr>
<td>D2N2 attracts around 3 million visitors and £475 million in visitor spending per year, which is 70% higher than the Midlands Engine average(^5).</td>
</tr>
</tbody>
</table>

We are world leaders in transport equipment manufacturing. D2N2 is home to many large and global aerospace, automotive and rail manufacturers and engineers. The strength of these companies, such as Toyota, Rolls Royce, Bombardier, and their significant local supply chains, is based on strong innovation and manufacturing expertise clustered around Derby.

---

\(^1\) ONS: Regional gross value added (balanced) by industry: city and enterprise regions, December 2019.  
\(^4\) D2N2: [http://www.d2n2lep.org/Growth/Invest](http://www.d2n2lep.org/Growth/Invest)  
\(^5\) D2N2 analysis of Visit Britain data compiled by the Midlands Engine Economic Observatory. Three-year averages (2015-17) of visitor spending and trips are used.
We are also proud of our growing life sciences cluster anchored by Boots, MediCity and BioCity in Nottingham, the third largest in the UK, and our emerging digital tech cluster focused around Nottingham’s ‘Creative Quarter’ (12.6% growth between 2012 and 2017). Our strong science and innovation ecosystem is underpinned by D2N2’s three universities, (Nottingham, Nottingham Trent and Derby), six science parks and fifteen innovation centres/ incubators.

In addition to our two major cities, D2N2’s districts generate almost two thirds of the region’s GVA and over a third of its employment takes place in predominantly rural local authority areas. D2N2’s dispersed network of towns and adjacent rural economies house key manufacturing sites, major employers and thriving small businesses. In rural High Peak, but well connected to Buxton, the Health and Safety Executive run a laboratory researching new methods in industrial safety. Factories leading the experiment in modern methods of construction and modular housing can be found in Ilkeston, Worksop and South Derbyshire. In the southern Nottinghamshire Wolds, the historic Stanford Hall Estate has been transformed into an award-winning military centre of excellence for rehabilitation with ambitious plans to create a national rehabilitation centre for civilians. These networks of towns and villages are also home to much of the region’s workforce too.

However, there are significant differences in the socio-economic conditions experienced across D2N2’s communities, a polarised productivity problem and a legacy of carbon-intensive industries. Our cities, whilst strong in many sectors, needs to drive more economic growth across the region, to ensure D2N2 is better able to compete with other regional economies such as Manchester City Region, Sheffield City Region and the West Midlands Combined Authority.

<table>
<thead>
<tr>
<th>Challenges to address</th>
</tr>
</thead>
<tbody>
<tr>
<td>The labour productivity gap is persisting, with GVA per hour worked 14% below the UK average. This gap has widened over the past 5 years.</td>
</tr>
<tr>
<td>54,000 jobs are at high risk of automation with a further 413,000 likely to experience various forms of automation.</td>
</tr>
<tr>
<td>12/17 local authorities within the D2N2 area are identified as ‘social mobility coldspots’.</td>
</tr>
<tr>
<td>28% higher emissions per capita than the UK average due to concentration of energy-intensive industries.</td>
</tr>
</tbody>
</table>

---

10 ONS, ‘Which occupations are at highest risk of being automated?’ dataset, March 2019;
11 Social mobility cold spots are areas that falls within the worst 20% of areas nationally on social mobility.
12 SOURCE?
As a large and growing LEP economy at the heart of the country, D2N2 is well-placed to deliver growth for UK Plc: by boosting productivity in our priority sectors\(^{13}\), D2N2 could inject an extra £9bn into the economy and achieve its ambition to be within the top quartile of European areas by GVA\(^{14}\).

---


\(^{14}\) D2N2 analysis of ONS data – LEP-level productivity and hours worked were forecast to 2300 for all LEPS and the required GVA needed to achieve the target productivity was calculated. £9bn is the difference between the projected GVA and GVA required to achieve the target level of productivity.
Our Strategy

2 pages

Our Vision is underpinned by three guiding principles at the strategic level, which guide specific propositions. They focus on addressing the issues impeding clean, productive and inclusive growth across the D2N2 region.

- **Upskilling for productivity**: Lead a bold new way of bringing together the education and skills frameworks to support businesses to deliver the talent for the current and next generation of businesses;
- **Clean growth**: lead the most ambitious carbon turn-around in the country;
- **Connectivity**: Deliver connectivity-led growth to all parts of the region.
Guiding Principle #1: Upskilling for productivity

Core proposition: Lead a bold new way of bringing together the education and skills frameworks to support businesses to deliver the talent for the current and next generation of businesses

Why is it a priority

Skills are the route to productivity. Our Skills Advisory Panel is leading work to ensure our population is better ‘skilled for and throughout life’ to improve social mobility and access to opportunity. Equally our businesses need to be more adaptable: the transformation of manufacturing industries by digital technologies; changing workforce demographics; the opportunities of new and emerging markets because of globalisation; as well as the threats of the climate emergency all bring new and fluid challenges for businesses to respond to. Improving their capacity and capability will be an essential part in addressing our region’s productivity and ensuring we remain competitive. This means supporting both the growth of our expanding and productive firms, who have the potential to improve our GVA, and ‘levelling-up’ our lagging to do more. As the frontrunner for productivity within D2N2, our advanced manufacturing sector has a role to play in translating their success to other sectors across our geography.

Expected outcomes:

- Our population, especially those vulnerable to technological change or outside threats, have access to training and skills programmes suitable to their needs and the needs of the local economy;
- Our labour force is more adaptable and incentivised to upskill themselves;
- Our labour force, especially those traditionally facing barriers into employment, feel able and empowered to access opportunities for training and work;
- Our businesses have a high-quality labour pool to recruit from;
- Our labour market is more balanced with mid to high-scale wages and overall skills levels;
- Our employers receive exemplary business support services to drive a step change in productivity;
- Our training providers are aligning their offers to the needs of the D2N2 labour markets and business needs;
- Demand for skills supply from learners is better aligned to the needs of D2N2 business needs;
- Our labour force has skillsets better aligned to the opportunities in clean and sectors of the future.

Our advanced manufacturing businesses have shared their innovation and expertise to support other business sectors across D2N2.
Guiding Principle #2: Clean Growth

Core proposition: Lead the most ambitious carbon turn-around in the country

Why is it a priority?

Why is it a guiding principle?

The legacy of the industrial revolution has served us well in the past but is now needs to align to our social, environmental and economic goals. We rapidly need to change the course of our carbon-driven economy. Replacing our coal-fired electricity generation provides an unprecedented opportunity to spearhead a new, ambitious zero-carbon energy system at Ratcliffe-on-Soar that can be a showcase to the rest of the country and innovation cluster on the scale of Randstäd in the Netherlands or Aerotropolis in Australia. Equally, innovating the construction and housing supply chains based in the region will be a catalyst to drive a cleaner, more productive and inclusive economy across the region. Nottingham City’s ambitious plans to become carbon neutral by 2028 supported by a pioneering local development plan and a programme of photovoltaic installations on public buildings is already leading the way in demonstrating the impact that an entrepreneurial local authority can have on tackling climate change. We will support the roll-out of a D2N2 wide approach to using public assets and planning to reduce carbon.

Expected outcomes:

- Our economy is driven by clean growth – D2N2 and its natural assets are known globally as clusters for zero-carbon and carbon-negative industries;
- Our reliance on non-renewable energy systems has been significantly reduced; spearheaded by a new zero-carbon energy system located across our core energy sites including Ratcliffe-on-Soar, Cottam and High Marnham;
- Clean growth principles will be embedded in curricula and careers programme for all ages;
- Our construction and housing supply chains have de-carbonised, and testbed locations for innovative housing are being progressed in partnership with the Midlands Engine Development Corporation at Toton, Mansfield and across the region;
- We will identify opportunities not just for zero-carbon growth but also for negative carbon developments, including the opportunity to develop new Garden Villages
- Our transport systems have shifted to low and zero carbon options;
- Our local authorities and other public-sector bodies will have built tackling climate change, reducing energy use and promoting renewable energy generation into their normal ways of working.

Guiding Principle #3: Connectivity and inclusion

Core proposition: Deliver connectivity-led growth to all parts of the region

Why is it a priority?

Why is it a guiding principle?

Our central location makes us one of the most accessible regions in England, but our connectivity does not always reflect this: unless growth locations in our region are connected, inclusive growth won’t happen at all. Not only do our cities of Nottingham and Derby need to be better connected with each other, they need to connect to the suburbs, towns and villages that make up their hinterlands too, to bolster their own success but also that of their neighbours. For too long our region has received the country’s lowest levels of transport infrastructure investment (per capita) and this gap needs to be closed.

Transformed road and rail connections, both within and across our region’s borders, is essential in unlocking the full potential of our communities – both socially and economically. HS2 is a golden, once-in-a-generation opportunity to become a super connected region if we use it to enhance local as well as national connectivity. With other investments in skills, mobility and digital infrastructure, we will ensure people can access a greater range of opportunities wherever they choose to live.

Expected outcomes:
- Our rural and urban areas are better connected, physically and digitally, and low-carbon journeys within and between them is available and affordable;
- Nottingham and Derby are better connected to each other, and their network of surrounding towns and villages;

---

Our strongly performing sectors continue to prosper, but are more open to supporting traditionally excluded populations;
- Our communities benefit from strong social mobility and empower their residents to be healthy and productive;
- Members of our community who would like to work but cannot for reasons of health, disability or location will be supported into the labour market;
- Employers will understand how to access and support untapped talent;
- HS2 is bringing unprecedented opportunities to the whole region, not only to Toton and Chesterfield spearheaded through improved regional connectivity;
- Our infrastructure and communities are more resilient to social, economic and environmental changes.

The LIS will set out how such outcomes will be measured and analysed.

**Working with our neighbours and partners**

D2N2 borders our Midlands Engine partners (Leicestershire, Lincolnshire and Staffordshire), major city regions such as Sheffield City Region, Leeds City Region and Greater Manchester, and even parts of the Humber and Cheshire & Warrington LEP areas. Our labour and leisure markets are often highly integrated and co-dependent. We are committed to working with our neighbours and beyond in achieving our aims with better connectivity and strong cross-boundary collaboration to ensure the outcomes of the LIS are maximised for the region and beyond.

Our guiding principles have the enthusiastic support, and represent the voice of, the region’s businesses and wider stakeholders; having been developed through an intense period of consultation.

- “I struggle to recruit the right types of skills to my company, but I have started using the apprenticeship levy to upskill my current employees. It would be great if there was more support for this” – CBI member at stakeholder consultation
- “We can’t ignore the elephant in the room – the quality of our basic education needs to be addressed”
- “I would love to cut our carbon emissions, but being in the Food and Drinks industry, I have no idea where to start and how to avoid it becoming another cost” – Representative of Food and Drinks Industry
Each principle and the propositions

Guiding Principle #1: Strengthen the capacity and capability of our people and businesses to prosper and innovate

Proposition 1.1

Ensure that D2N2, spearheaded by our Skills Advisory Panel, has the most joined-up and responsive skills ecosystem and is the go-to region for Government to test out new approaches to careers, education and skills provision.

- Coordinate and strengthen interaction between business and the education system to shape the quality and content of provision and curricula to inspire regionally relevant career guidance;
- Pilot the Midlands Engine Skills Escalator to ensure that the education system aligns and matches the aspirations of our learners and the needs of our businesses;
- Develop “Skills for Life Pathways” which demonstrate the roles that are available, the skills needed to secure those roles and the education, training and support that is available to help learners and workers to get there;
- Build on and expand existing successful pilots for new ways to support progression across D2N2 such as Nottingham’s Digital Innovation Fund;
- Join up existing skills and employment programmes with a focus on growth sectors for the region, as well as management and leadership skills;
- Develop a training/apprenticeship programme to support growing sectors - clean energy, modular construction and retrofitting, health and MedTech and Digital sectors;
- Support business in re-skilling and up-skilling employees through making use of the apprenticeship levy and other relevant training opportunities;

Proposition 1.2

Be regarded as the leading region for high-quality account management of businesses, making D2N2 the most attractive environment for businesses to invest and grow high quality employment.

- Further strengthen our Growth Hub by merging and/or jointly promoting business, innovation and skills schemes to reduce any areas of duplication;
- Ensure targeted advice and support is offered to firms with growth potential, including support on exporting to new markets, automation and digitalisation, using business-to-business support where relevant, including seizing the unprecedented opportunities for global growth from forthcoming trade deals;
- Build on and extend DIT’s Key Account Model with foreign owned businesses to develop account management style of business support across the high-value end of the supply chain;
- Work with Government to develop effective incentives and advice for SMEs and big business on how to decarbonise most efficiently;
- Encourage participation in national and international business support schemes including those endorsed by the Scaleup Institute;
- Promote business resilience, including ‘buy local’, to ensure resilience against the changing global economic climate;
Ensure that our business support services work equally well in support of our towns and rural areas as for our cities, and for social enterprises as well as the private sector.

**Proposition 1.3**

Build on our existing regional innovation assets such as our world class anchor institutions and manufacturing excellence that drive our competitive advantages.

- Embed a more pervasive, open culture of innovation, including commercialising knowledge from universities and government, supporting firms of all sizes in all sectors to improve their products, processes and capabilities, and take on a strategic commissioning role to help our innovators to focus on gaps in the market and to reduce unnecessary overlap and duplication;
- Support our major corporates to undertake increased levels of R&D activity locally;
- Maintain our strengths as a world leader in the next generation transport, advanced manufacturing, engineering, life science and health sectors. Enhance the scale and concentration of activity in these sectors. Provide commercial and innovation space to expand and remain competitive;
- Utilise the expertise of our most productive sectors i.e. advanced manufacturing and engineering, to create a skills-sharing programme that can address productivity issues in other sectors;
- Support and accelerate the transition of our advanced manufacturing and engineering sector to Industry 4.0, building on assets such as the automated assembly demonstrator in the Aerospace Technology Centre;
- Drive local R&D investment and growth in the region’s breakthrough, growing sectors and technologies such as digital technology and data. Ensure these businesses have the space to scale their innovative solutions;
- Enhance existing and emerging incubators and innovation centres such as UNIP, Nottingham Science Park, BioCity, MediCity, Infinity Park to maximise their innovation potential and incentivise their approach to clean growth;
- Enter into a unique strategic partnership with the HSE at Harpur Hill, Buxton, in order to help businesses to innovate and grow, learning form the HSE’s unparalleled expertise in dealing with risk;
- Support the food and agriculture sector to decarbonise and promote food security innovate through working with our universities and agritech businesses to ensure the sector can constantly innovate and adapt to emerging science and technology;
- Work with businesses and training providers across the region to form an integrated D2N2 Strategy for attracting and retaining talent;
- Retain graduates and skilled people with young families by developing high-quality housing, vibrant ‘smart town’ centres and excellent outdoor leisure and recreation, and infrastructure for SME growth in creative, technology and ‘green economy’ industries.

**Guiding Principle #2: Lead the most ambitious carbon turn-around in the country**

**Proposition 2.1**
Develop our existing fossil-fuel based power generation sites, including Ratcliffe-on-Soar, as a next generation example of zero carbon powering, inventing and upskilling – a pioneer and global leader in clean growth.

- Develop Ratcliffe-on-Soar as an exemplar world class energy system and innovation hub - the place to solve decarbonisation challenges and scale clean energy solutions, bringing in expertise from across industry sectors to share approaches to energy generation, saving, storage and recovery;
- Establish a world-leading national research centre for Integrated Zero-Carbon Futures;
- Lead the development of an innovative Freeport Enterprise Zone centred around East Midlands airport and the surrounding area including at Ratcliffe-on-Soar. Working with our partners including the Midlands Engine Development Corporation we will accelerate delivery of nationally significant development at Ratcliffe-on-Soar, and a unique approach to trade at the airport;
- Develop a network of hubs making the best use of similar power stations in North Nottinghamshire and sites such as Coalite in North East Derbyshire which was a former coalfield that the LEP has invested in to remediate and now has an ambition to be a clean growth employment site;
- Build on Nottingham Trent University’s position as a top 5 university for sustainability to role model sustainable operations to employers across the region.

**Proposition 2.2**

From concept to end-user: developing a clean, strong and innovative construction and housing supply chain with test beds at locations including Mansfield and Toton.

- Incentivise deep decarbonisation in the cement industry;
- Develop a modular construction cluster, building on existing assets in Derby and support a testbed at Toton;
- Use the testbeds to drive innovation in place-making, building healthy and sustainable communities which are technology-enabled, with the aim of improving quality of life.
- Lead an ambitious retrofitting scheme based on the pioneering work of Nottingham City Council, decarbonising existing housing stock with testbeds in Mansfield and Nottingham;
- Develop planning policy for new housing developments which surpass national standards for low carbon construction and sustainability.

**Proposition 2.3**

Utilise our natural assets, including Sherwood Forest and the Peak District National Park, to achieve our clean, inclusive and productive growth ambitions and promoting them as key visitor destinations.

- Test, demonstrate and apply transformative technologies such as carbon sequestration;
- Support the Peak District National Park in becoming Zero-Carbon by 2050;
- Establish more charging points in rural areas to incentivise electrified transport;
- Establish Clean Mobility Zones in three rural locations where mobility-as-a-service and other demand-driven modes can be tested, in particular in supporting the visitor economy.
Proposition 2.4

Ensure clean growth is the golden thread running through all work across D2N2

- Clean growth at the heart of D2N2 governance;
- Clean growth champions represented across the LEP board’s activities;
- Develop a baseline evaluation of emissions and monitor, capture and celebrate progress;
- Embed a coherent narrative and brand for low-carbon roll-out;
- Work with HMT to help them embed low-carbon as a key factor in future funding decisions.
Guiding Principle #3: Deliver connectivity-led growth to all parts of the region

Proposition 3.1
Support inclusive growth across the whole region; with a focus on improving social mobility and health and wellbeing

- Ensure health, wellbeing and low-carbon are at the heart of developing our towns and cities;
- Improve social mobility by delivering programmes focused on tackling issues such as long-term unemployment, poor education and low aspirations;
- Take a leadership role in the Towns Fund, Transforming Cities Fund and High Streets Fund to maximise impact on social mobility, wellbeing, and productivity, and ensure any lessons learnt are shared across the region;
- Measure affordability and Quality of Life in our region to enable more targeted interventions to guide better local policy and decision making;
- Build on the Universities for Nottingham initiative to develop a civic agenda between cities, towns, schools, colleges and universities to develop our residents’ skills and promote social mobility and the University of Derby’s leading role in delivering the Derby Opportunity Area
- Build on our strength as a leader of health innovation by further developing our workforce and attracting new skilled jobs in growing sectors such MedTech;
- Capitalise on the nationally significant DNRC and strength in defence and trauma medicine as a key route to market;
- Exploit sector strengths in our more disadvantaged communities, such as our expertise in logistics around Mansfield.

Proposition 3.2
Promote an integrated systems approach to ensure people can access skills and employment locally, and across the region from rural locations through to towns and both of our cities.

- Deliver connectivity-led inclusive growth that dramatically reduces the carbon footprint of journeys;
- Identify in partnership with Midlands Connect opportunities to scale and incentivise development across core corridors such as the A1, A6 and A46, and support the development of the strategic innovation and growth corridor between Derby and Nottingham;
- Connect people and economic growth in both rural and urban settings to obtain cleaner, quicker, more reliable movement of people and goods and improve air quality;
- Build on ‘Transforming Cities’ & Derby’s National Infrastructure Commission pilot, Go Ultra Low Nottingham Project, Workplace Travel Service, Nottingham Council ULEV Conversion, and Electric Taxis;
- Enable faster and better digital connectivity for businesses and residents across the region by promoting superfast broadband for areas including the Derbyshire Dales, Newark and Sherwood and Bassetlaw where there is currently poor connectivity, to promote engagement in work and learning and to reduce the need for travel;
- Maximise opportunity from the potential 5G pilot in Nottinghamshire and explore how to spread the benefits.

**Proposition 3.3**

Support the growth of our cities, towns and economic corridors to improve quality of place and economic prosperity in the wider region. Ensure that housing and employment development opportunities are unlocked, and the visitor economy bolstered, to enable wider place-making and productivity objectives.

- Continue the transformation of our cities Nottingham - which is one of the 8 Core Cities in England - and Derby, to adapt to challenges including internet retail, climate change and automation;
- Support the complementary growth of our cities investing in their respective sectoral strengths, and make the most of their investment opportunities, such as the Science Park and Enterprise Zone at Infinity Park;
- Prioritise the development of Grade A commercial space in our large towns and city centres;
- Invest in transport infrastructure that connect surrounding towns and suburbs into areas of economic opportunity;
- Improve the resilience of infrastructure within our region, ensuring community resilience and livelihoods are fully considered;
- Develop business activity at sites along the M1, and enterprise zones such as the North Derbyshire Manufacturing Zone with supporting transport systems;
- Address the demand for employment space for growth and expansion in rural communities e.g. Riverside Business Park, Bakewell;
- Develop opportunities linked to the HS2 stations at Toton and Chesterfield, and at stations in neighbouring cities such as Sheffield; and ensure that the wider regional connectivity to maximise the impact across the region is realised in full;
Asks and Offers:

Guiding Principle #1: Strengthen the capacity and capability of our people and businesses to prosper and innovate

Government asks:
To achieve the step-change we envision in life-long skills provision and business productivity, we need Government support in:

- Supporting the area to deliver a bold and ambitious skills ecosystem that is joined-up and responsive to the needs of the economy - both for our people and our businesses;
- Establish the Midlands Skills Escalator: an employer-led initiative using levy funding to assure a “future fit” workforce alongside “Get Help to Train”;
- Providing flexibility in the use of the Apprenticeship Levy so D2N2 can gain access to a regional single pot, including as a source of match funding;
- Providing full funding from BEIS and DFE for our Enterprise Adviser Network to enable all pupils in all educational establishments to benefit from experiences of the world of work;
- Encouraging our account management approach with the region’s high growth and potential high-growth businesses, including building on the DIT’s Key Account Management approach. We believe our businesses are best placed to improve their productivity and want to enable them at a local level to deliver local solutions;
- Requiring public funds across skills and education provided by FE and HE in our region to target priorities and places highlighted in the LIS;
- Ongoing advice and stewardship on funds and opportunities for us to deliver economic growth across the region.

Our offer
In return we will work with Government to deliver pilot programmes across skills and training programmes seeking to work with green and clean industries. The D2N2 region is the perfect testbed not only for pioneering research and innovation in new energy systems and technologies but also for spearheading new types of jobs and employment in new types of jobs and industries associated with our world class MedTech and Advanced Manufacturing sectors. Providing a workforce for the future and helping Government understand what is needed in the workplace as we drive a new way of thinking.

Guiding Principle #2: Lead the most ambitious carbon turn-around in the country

Government Asks:
To achieve the step-change we envision in supporting the country’s zero carbon ambition, we need Government support in:

- Delivering a locally led development corporation in the East Midlands that will drive innovation in a low carbon economy and anchor research through a low carbon future HE institute at Ratcliffe-on-Soar;
- Supporting the establishment of a Freeport Enterprise Zone at East Midlands Airport connected to Ratcliffe-on-Soar and the surrounding area where trade and industry will rub shoulder to shoulder with innovation;
• Promoting our innovative construction and housing supply chain through the Construction sector deal and through increased flexibility in the use of the Apprenticeship Levy. We would also seek to showcase our work to the wider UK and global economy;
• Partnering with us in delivering a significant retrofitting scheme to reduce energy consumptions and household bills;
• Supporting our Local Authorities' ambitious plans to install photovoltaic energy generation across their building stock and exploring ways to commercialise the expertise in our councils on PV;
• Embedding knowledge of climate change in education and skills programmes for all age groups;
• Demonstrating how low carbon impacts can be effectively measured and monetised to access further funding and support.

Our offer
In return we commit to working with all our ambitious local authorities to embed greater sustainability focus in their planning and commissioning approaches, spearheaded by Broxtowe and Nottingham who have committed to be carbon neutral by 2027 and 2028 respectively. We will collectively drive the strongest turnaround in the country and to be a champion and exemplar to other regions on tackling climate change. We will be an “open lab” for innovation in the low carbon economy because we are committed to ensuring our business and people can be part of the solution.

Guiding Principle #3: Deliver connectivity-led growth to all parts of the region

Government Asks:
To achieve the step-change we envision in a super connected region, we need Government support in:

- Supporting the area in attracting transport pilots for rural locations including electric vehicle pilots and mobility-as-a-service projects;
- Supporting the transformation of our cities and towns and unlock new sites for commercial development;
- Delivering transport schemes which better connect our residents to employment and training opportunities;
- Delivering the entire Midlands Engine Rail programme to improve journey times across the region;
- Delivering reliable high speed mobile and digital connectivity, supporting our SMEs and major businesses;
- Delivering short term interventions to support growth through mobility schemes and upgrades whilst major projects are delivered including HS2 and the Dev Co; plus wider regional connectivity to both hub stations to maximise benefits from HS2 to more people, places and businesses;
- Improving the links between rural and deprived neighbourhoods to areas with good levels of employment and training opportunities;
- Maximising the potential of our visitor economy through exploring the potential for a tourism action zone.

Our offer
Our agenda is to deliver clean and green growth but this is only possible through better and more sustainable connectivity across the region. We will work with our partners and stakeholders to ensure that interventions in connectivity deliver greater than the part of its sums, ensuring transport and digital projects are not viewed as solutions but enablers in a much more joined up story about inclusive growth and productivity.
Conclusion and final statements

1 page

- D2N2 is excited to leave behind its carbon intensive past and spearhead a clean, inclusive future. Our propositions seek to:

Redress our regional productivity lag, and become one of the most productive regions in Europe, by:

- Addressing the high proportion of low-skilled and low-earning jobs in the region, by upskilling more of our population more quickly;
- Providing the skills and space required for businesses to scale and develop;
- Making our people and businesses more resilient to the potential impacts of leaving the European Union and ongoing globalisation, automation and digitisation, changing workforce demographics and climate change;

Reduce our reliance on carbon-intensive industries, and drive economic growth through growth in clean and green industries, by:

- Utilising the closure of our carbon-emitting power stations as an opportunity to spearhead new zero-carbon energy systems and related business clusters;
- Decarbonising our housing chains, transport systems and all of our key sectors;
- Nurturing the growth of low and zero-carbon focused businesses.

Reduce the concentration of social-mobility coldspots across the region, and become a better connected, more inclusive region, by:

- Transforming intra- and inter-regional connectivity, to ensure greater access to opportunities wherever you live in the region;
- Supporting our businesses in reaching the potential of traditionally excluded populations;
- Capitalising on the opportunities bought about by HS2 at Toton and Chesterfield and the wider region

We have many strengths we can capitalise on including: being one of the most central locations in the country; world-class universities and globally renowned research hubs; a large and highly productive advanced manufacturing and engineering sector; innovative health and pharmaceutical businesses; and outstanding natural assets that support a strong visitor economy.

But we also recognise that the region has social mobility ‘cold-spots’ where the population does not experience or partake in the economic growth occurring. By investing in upskilling our people and improving the productivity of some of our businesses, we know we can create significant socio-economic change and meet the aspirations of inclusive growth.

We also want to improve inter-regional transport and digital infrastructure, allowing growth to flow to all parts of D2N2, rural and urban.

D2N2 is ready to be the spark in the engine that powers UK growth.
Summary of our guiding principles, and their associated propositions:

<table>
<thead>
<tr>
<th>Guiding Principle #1</th>
<th>Guiding Principle #2</th>
<th>Guiding Principle #3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Productivity:</strong></td>
<td><strong>Clean Growth:</strong></td>
<td><strong>Connectivity &amp; Inclusion:</strong></td>
</tr>
<tr>
<td>Lead a bold new way of bringing together the education and skills frameworks to support businesses to deliver the talent for the current and next generation of businesses</td>
<td>Lead the most ambitious carbon turn-around in the country.</td>
<td>Deliver connectivity-led growth to all parts of the region</td>
</tr>
<tr>
<td><strong>Proposition 1.1</strong></td>
<td><strong>Proposition 2.1</strong></td>
<td><strong>Proposition 3.1</strong></td>
</tr>
<tr>
<td>Ensure that D2N2 has the most joined-up and responsive skills ecosystem and is the go-to region for Government to test out new approaches to careers, education and skills provision.</td>
<td>Develop our existing fossil-fuel based power generation sites, including Ratcliffe-on-Soar, as a next generation example of zero carbon powering, inventing and upskilling – a pioneer and global leader in clean growth.</td>
<td>Support inclusive growth across the whole region; with a focus on improving social mobility and health and wellbeing.</td>
</tr>
<tr>
<td><strong>Proposition 1.2</strong></td>
<td><strong>Proposition 2.2</strong></td>
<td><strong>Proposition 3.2</strong></td>
</tr>
<tr>
<td>Be regarded as the leading region for high-quality account management of businesses, making D2N2 the most attractive environment for businesses to invest and grow high quality employment</td>
<td>From concept to end-user: developing a clean, strong and innovative construction and housing supply chain with test beds at locations including Mansfield and Toton.</td>
<td>Promote an integrated systems approach to ensure people can access skills and employment locally, and across the region from rural locations through to towns and both of our cities.</td>
</tr>
<tr>
<td><strong>Proposition 1.3</strong></td>
<td><strong>Proposition 2.3</strong></td>
<td><strong>Proposition 3.3</strong></td>
</tr>
<tr>
<td>Build on our existing regional innovation assets such as our world class anchor institutions and manufacturing excellence that drive our competitive advantages.</td>
<td>Utilise our natural assets, including Sherwood Forest and the Peak District National Park, to achieve our clean, inclusive and productive growth ambitions and promoting them as key visitor destinations.</td>
<td>Support the growth of our cities, towns and economic corridors to improve quality of place and economic prosperity in the wider region. Ensure that housing and employment development opportunities are unlocked, and the visitor economy bolstered, to enable wider place-making and productivity objectives.</td>
</tr>
<tr>
<td><strong>Proposition 2.4</strong></td>
<td><strong>Proposition 3.4</strong></td>
<td><strong>Proposition 3.5</strong></td>
</tr>
<tr>
<td>Ensure clean growth is the golden thread running through all work across D2N2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dear Elizabeth,

Thank you for your letter of 26 February detailing your ambitions and proposed plans for a Freeport centred around East Midlands Airport and the Uniper Power Station.

I welcome the development of an ambitious UK Freeport model that could work for rail, sea and airports which is something I have been supportive of.

I also welcome your interest in developing a Freeport in the East Midlands. Locations for Freeports will be decided by a bidding process which is fair, transparent and robust. This is set out in the following consultation document www.gov.uk/government/consultations/freeports-consultation which is available to the public, and Government are now inviting comments and feedback on these proposals.

My Department have a leading role to play in developing this policy and are extensively engaging with stakeholders during this consultation period. My officials are more than happy to discuss this further with you and I welcome your passion for driving further growth to the Midlands region.

Yours ever,

Rt Hon Grant Shapps MP

SECRETARY OF STATE FOR TRANSPORT
Elizabeth Fagan
Chair
D2N2 Local Enterprise Partnership
8 Experian Way
ng2 Business Park
Nottingham
NG2 1EP

13 MAR 2020

Your ref: EF/SH

Thank you for your letter of 26 February to the Chancellor of the Exchequer regarding the potential for a Freeport in the East Midlands. I am responding as the Minister responsible for this policy area.

I share your enthusiasm for Freeports as I believe they will play a significant role in boosting trade, attracting inward investment and driving productive activity across the UK. This will level up communities across the country through increased employment opportunities.

I am grateful to you for enclosing your outline proposal which I have passed on to my officials. I encourage you to submit further views on how to implement and improve our proposed Freeport model as part of the consultation process, so they can be taken into account when the policy undergoes further development.

The Government is committed to running a fair, transparent and robust allocation process to select up to 10 Freeports across the UK. The finalised policy and a bidding process will be announced in due course after the consultation has concluded.

I look forward to receiving your response to the consultation.

Yours sincerely,

RT HON STEVE BARCLAY MP
D2N2 Key Transformational Place Priorities

1. South Derby Growth Zone
2. Derby City Centre
3. Nottingham Southside
4. Tech Hub at Crocus Place
5. Derwent Valley
6. North Derbyshire Growth Zone
7. EM Gateway HS2 Growth Zone
8. Mansfield/Ashfield & NTU
9. Northern Power Stations
10. Innovation Corridors: M1, A1(M), A38, A46, A50/A500, A52, A6

1. **INTRODUCTION**

1.1 This report updates Board on the following:

- Budget 2020
- Growth Hub Update
- Foreign Direct Investment (FDI) Key Account Management
- ESIF Update
- Marketing and Communications Update

2. **RECOMMENDATIONS**

2.1 Board is invited to

a. **NOTE the report**

3. **BUDGET 2020 UPDATE**

The Rt Hon Rishi Sunak MP, Chancellor of the Exchequer, unveiled his Budget in Parliament on 11 March, 2020. Delivering this government’s first budget since 2018, it contained major infrastructure announcements for the region and wider UK, as part of the Conservative Party’s ‘levelling up and getting Britain building’ agenda.

**General announcements**

- The Budget launched the Comprehensive Spending Review 2020 (CSR) which will conclude in July, setting out detailed spending plans and covering resource budgets for three years from 2021-22 to 2023-24.
- Publication of the National Infrastructure Strategy is expected in late spring.
- Further details on delivering better local transport for towns, rural area and other cities will be announced at the end of the CSR.
- The Government will provide £500 million over the next five years for electric vehicle charging infrastructure.

Within the Budget Government has confirmed £387m of additional Local Growth Fund and confirmed that this should be seen as a “down payment” not the totality of future funding for local growth. We continue to work with government to establish when further funding will be released and what the targeting mechanisms of the new UK Shared Prosperity Fund will be: we will, of course, be aiming to persuade Government that levelling up should mean a fairer allocation for
D2N2 across the board, and that any future capital funding must include significant weighting towards its impact on carbon reduction.

Local projects approved in the Budgets are:

- Commitment to the A46 upgrade at Newark and Midlands Rail Hub
- Transforming Cities Fund: £161m for Derby & Nottingham, including over £25m for bus rapid transit in Derby and over £10m for a new cycle route between Nottingham, Derby and the airport
- Link road from Chesterfield town centre to the A6192 and A619 at Staveley
- £50 million to improve accessibility at 12 stations, including Beeston
- Additional support from the Department for International Trade (DIT) to Midlands Engine including dedicated overseas ME-focused posts
- £20 million confirmed for the next phase of the Midlands Rail Hub. Funding secured for Midlands Connect/ Network Rail to develop the Outline Business Case

4. **GROWTH HUB**

Following the confirmation of extended ERDF funding, engagement of SMEs through Growth Hub continues to grow steadily with over 2,400 businesses engaged since April 2019. Following procurement, the Growth Hub events programme is currently being finalised and will be launched in April 2020 covering 12 themes with a focus on action planning.

Working with regional Growth Hubs across the East Midlands, the Business Resilience Programme has now been established to support SMEs through the EU exit transition period providing practical support and information via events and one-to-one support.

Similarly, the Growth Hub is monitoring the situation with regards to Covid-19 and ensuring all the latest government advice is available to business as well as working with local authorities as part of their emergency planning duties as set out above.

Launched in August 2019, the D2N2 Business Investment Fund offers grants of between £3,500 and £20,000 to support SMEs improve productivity and efficiency. To date, 79 applications have been received with 39 progressing to panel and 16 grant awards approved.

5. **FDI KEY ACCOUNT MANAGEMENT**

DIT (Department of International Trade) have allocated funding to all the LEPs across the Midland Engine (£35,000 per LEP area) to establish and implement strategic key account management capability across the Midlands to new and existing Foreign Direct Investment (FDI) companies.

The context to the project is to identify existing FDI companies that have the potential for growth through additional support, and ensure that they are supported to stay within the region and UK.

The aim of the D2N2 project is to identify an initial cohort of companies for targeted engagement that are currently not engaged with DIT as part of their management of foreign companies within the UK.

Initial data analysis has identified over 180 FDI businesses within D2N2 that are currently not engaged with DIT. The next phase of the project is to engage up to 25 of those target companies by the end of May 2020 and agree an approach for account management in conjunction with DIT and local investment promotion partners. DIT have confirmed that further funding is available to support project activity during 2020/21 and a business case is being prepared to continue D2N2 service development.
This is an opportunity to trial on a small-scale basis the aspiration within the LIS on key account management for businesses.

6. **ESIF SUMMARY UPDATE**

Below is a comprehensive update of the current ESIF programme. The next ESIF committee has been cancelled and will be re-scheduled in a few months.

6.1 **ERDF**

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

A regional joint MHCLG / TA full day workshop was held in January for all successful applicants to support and ensure their full applications meet national and local priorities and can be presented to MHCLG within anticipated timescales.

**Nottingham SUD**

The final call for applications for the Nottingham SUD programme opened in January and closed 10 March 2020. The amount of ERDF available was £8.5m across PA’s 2, 3 and 4.

A TA workshop to support applicant organisations was held on 10 February 2020 with a view to maximising the pipeline of applications into the programme to mitigate against the potential risk of not fully utilising the fund.

**ERDF Reserve Fund**

The ERDF Reserve Fund was due to be launched on 20 March 2020. Fund calls were likely to be focused on specific priorities and approaches. Calls will be England-wide by Priority Axis with separate Category of Region funding envelopes within each call. Early indications are that the funding envelope for more developed LEP areas will be £41m.

The current planning assumption is that the Reserve Fund call will apply to the following Priority Axes in the more developed LEP areas.

<table>
<thead>
<tr>
<th>PA</th>
<th>Purpose</th>
<th>Funding available nationally</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Promoting Research and Innovation</td>
<td>£13m</td>
</tr>
<tr>
<td>3</td>
<td>Enhancing the Competitiveness of SME’s</td>
<td>£15m</td>
</tr>
<tr>
<td>4</td>
<td>Supporting the Shift Towards a Low Carbon Economy in All Sectors Call</td>
<td>£10m</td>
</tr>
<tr>
<td>6</td>
<td>Preserving and Protecting the Environment and Promoting Resource Efficiency</td>
<td>£3m</td>
</tr>
</tbody>
</table>

The Reserve Fund offers opportunities to trial new and different ways of doing things e.g.,

- new collaborations (across LEP areas or sectoral approaches)
- innovative delivery models (e.g. responding to Business Productivity Review)
- integrated packages across the Industrial Strategy’s foundations of productivity
- Maximising links between ERDF and other public funding
- new ways of delivering community-focused initiatives through PA3 (e.g. start up support).
Applications will be by Full Application (no Outline Application required) and typically projects will be for a minimum of £1m ERDF. This will place an emphasis on receiving applications based upon evidence of demand, well-articulated strategic fit with links to the national and local LIS priorities, strong value for money and being delivery ready able to complete by June 2023 with eligible match funding in place.

The D2N2 LEP TA services and local partners will work to:

- raise awareness of the Reserve Fund and how it will contribute towards the delivery of national and local priorities.
- publicise and provide accurate and clear information to potential applicants regarding the funding opportunities provided by the Reserve Fund and give details regarding accessing and obtaining funding ensuring transparency at all levels.
- Support clear understanding about the selection process and the delivery of the Fund.
- prepare the market to develop strong delivery partnerships that meet the requirements of the full application process.

In light of the impact of COVID-19 we are currently seeking guidance from government on the potential flexibility of utilising the reserve fund to provide support to businesses to survive and recover from the impact of the virus.

### 6.2 ESF

**DWP open calls**

All calls within the final call schedule at LEP level agreed with DWP have now closed. The following programmes have now moved to funding agreement and will commence delivery shortly:

- (IP 2.1) Digital skills for the employed
- (IP 1.1) Digital skills for the unemployed

Both programmes will be delivered by DBC Training.

DWP assessors are now working with applicants to move to funding agreements for the following calls:

- (IP 2.2) Careers and Employability Hub
- (IP 2.2) The Skills Access Hub
- (IP 1.1) Supporting Progression into the Food and Drink Manufacturing Sector
- (IP 1.4) Active Inclusion – Multiple and Complex Needs
- (IP 1.3) Youth Employment Initiative (Nottingham City)
- (IP 1.1) Technical and Construction Skills for Unemployed People
- (IP 1.2) Intensive Support for Young People with Additional Needs who are not in Education, Employment or Training
- (IP 1.4) - Health and Social Care Workforce Development Programme
- IP 2.1 STEM Skills in D2N2
- IP 2.1 Leadership and Management Training for SMEs
- IP 1.1 Healthy Work

Only one call closed with no applications due principally to the large number of calls that were open at the time.

- IP 2.1 D2N2 Fuller Working Lives
ESF Reserve Fund

The Reserve Fund will help ensure we are able to make best use of remaining ESF programme funds within D2N2.

LEP officers have consulted with a wide range of strategic partners, (People and Skills Board members, HE, FE and local authorities) and provider networks to inform a proposed D2N2 call schedule which we wish to agree with the MA.

The draft call schedule was discussed at the ESIF subcommittee in January 2020 with the recommendation that a smaller group be convened to sophisticate the approach recommended by skills officers. This smaller group will at the end of March 2020 to make recommendations to the ESIF subcommittee.

ESFA ESF extensions

The Education Skills Funding Agency has gained Secretary of State clearance to enable it to offer an extension to existing ESF contracts that meet its performance and contractual extension requirements. This will allow the ESFA to increase and extend the D2N2 Memorandum of Understanding (MOU) values using the ESF Reserve Fund.

Where possible ESFA will look to extend current provision to 31st March 2023 with the financial completion date remaining as 31st Dec 2023.

In D2N2 the contracts which will be extended in time and funding under these arrangements are as follows.

<table>
<thead>
<tr>
<th>Investment Priority</th>
<th>Name of programme</th>
<th>Provider</th>
<th>Current contract value</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.4</td>
<td>D2N2 Community Grants</td>
<td>Futures Advice, Skills and Employment Ltd</td>
<td>£1,350,000</td>
</tr>
<tr>
<td>1.2</td>
<td>NEET in D2N1</td>
<td>Dimensions Training Solutions Ltd</td>
<td>£3,024,000</td>
</tr>
<tr>
<td>2.1</td>
<td>D2 Skills Support for the Workforce and Redundancy</td>
<td>Serco</td>
<td>£8,370,000</td>
</tr>
<tr>
<td>2.1</td>
<td>N2 Skills Support for the Workforce and Redundancy</td>
<td>Serco</td>
<td>£8,370,000</td>
</tr>
</tbody>
</table>

DWP are now modelling the impact the ESFA extensions will have on the overall level of ESF Reserve Fund available by investment priority. D2N2 LEP skills offices will need to take into account the ESFA extensions when agreed at LEP level when developing the D2N2 reserve fund call schedule with the Managing Authority.

Applicants to calls supported through the Reserve Fund will need to bring 50% of eligible match. Market testing of the likely availability of match by Priority Axis will therefore need to be undertaken to ensure sufficient match is available within D2N2 to bring forward high quality applications against a realistic call schedule that meet local employment and skills priorities.

6.3 EAFRD

In the D2N2 LEP area 24 Full Applications have been received for grants under the D2N2 call schedule which closed at the end of May 2018. All full applications have now been received or withdrawn. 14 projects have been approved and contracted to date, with a total grant value of £1.93m offered.
EAFRD Reserve Fund


In addition to the online promotion undertaken by the LEP and other partners, the RPA and LEP jointly held 8 Expression of Interest (EOI) workshops across the region to promote the opportunities and provide support for rural businesses to make high quality applications. Early indications from the RPA is that over 70 rural businesses within D2N2 have applied for grant funding across the 3 funding strands of Business Development, Tourism and Food Processing.

The RPA are aiming to progress an EOI from receipt to decision in 30 working days. D2N2 LEP has reconvened the D2N2 Rural Reference Group to offer advice to the RPA on local strategic fit of eligible projects with endorsement of the advice from the Chair on behalf of the ESIF sub-committee. The RRG is meeting weekly by tele kit in order to meet the demanding schedule due to the number of applications received from our area.

7. MARKETING AND COMMUNICATIONS

Over the 2019/20 period, D2N2 has undertaken significant change with regards to all areas of business: governance, delivery and strategy. In response, D2N2 is developing a new Marketing and Communications Strategy to deliver a clear voice to unlock the region’s full potential on a local, national and international level.

A draft strategy has been completed. However, further work is required to ensure it corresponds effectively to specific LEP objectives, especially those emerging from the Local Industrial Strategy. A workshop is planned with board member, Jayne Mayled to help clarify our current ideas and ensure we have a compelling and concise strategy going forward, which will then be presented to the main board.

KEY UPDATES

Award Winners

D2N2 has been recognised at the Best of Nottingham 2020 Awards, winning for Best Creative Video Campaign. The awards, organised by Web development company Frogspark, recognised D2N2s video content as ‘the perfect way to explain to the public the impact D2N2 has within the region.’

Website

Work on the development and implementation of a new website to replace the LEP, TA, and Schools platforms is ongoing. It is anticipated that the project will be completed towards the end of April 2020. We remain in regular contact with the supplier.

Media Monitoring

Since January, we have been using a new media monitoring package - Vueilio. This has delivered a noticeable step-change in our understanding of our media coverage and allowed for greater analysis of our coverage especially around sentiment (perceived positive or negative mood of articles)

Since January:

- 398 articles have mentioned D2N2
- These had a circulation 1,151,623
- 95.8% of these articles have been very positive
A full quarterly report of our media coverage will be included in the next board report.

**Sunday Politics Show**

As part of our strategy of greater engagement with media outlets, we recently met with Rob Pittam, editor of the Sunday Politics Show. We discussed several opportunities to promote the profile of the region and the LEP.

Going forward, we would like to arrange a studio visit for interested board members to facilitate some basic media training.

**Sajeeda Rose**  
31 March, 2020
Statement of intent

1. The developments will generate next generation inclusive and sustainable growth – high quality jobs, housing and transport, accessible and tailored to meet the needs and aspirations of current and future generations.

2. The focus for the developments is on next generation innovation, enterprise, the future of industry, not lower value or productive forms of employment.

3. Local people as well as those who come here to live and learn will be equipped with the skills to benefit from the job opportunities resulting from the creation of the development corporation.

4. Beyond the economic benefits, the developments will enhance and improve the environment, reduce emissions and achieve net gains in natural capital.

5. Partners in the region recognise and support the development corporation as a regional endeavour with a common purpose and a commitment to maximise this opportunity for the East Midlands; the whole being greater than the sum of the parts.

6. The developments will enhance the region and add value to the region’s economy, adding to existing strengths in the cities and counties across the East Midlands.

7. The development corporation will be funded by a range of sources and use a range of financial instruments. It is not intended that existing business rates are redirected from local authorities to the development corporation. (Further analysis of business rate uplift and associated models will be explored)

8. There will be appropriate mechanisms for local democratically elected representation to oversee the work of the development corporation board and its independent chair. The board will be selected through a skills based recruitment process.

9. Lessons learned from the work on the initial 3 sites will be used to help drive further opportunities in other parts of the region, including additional sites and development corporations for the (East) Midlands.
D2N2 LOCAL ENTERPRISE PARTNERSHIP
BOARD REPORT

DATE: 31 March, 2020
REPORT LEAD: Anthony May
AGENDA ITEM: 2.4
TITLE: Midlands Engine Development Corporation Strategic Business Case Update Report

RECOMMENDATIONS

1. Endorse the progress of Midlands Engine led work to examine the feasibility of a locally led Development Corporation, which has the potential to grow the local economy and bring significant investment.

2. Endorse the statement of intent (Appendix A).

BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

3. In February 2019 the Government approved funding to explore the business case for a locally led development delivery vehicle for the East Midlands. The work to develop a business case for a development corporation is being taken forward by a programme team hosted by Nottinghamshire County Council. This report provides key background information and an update on progress of work on the development corporation.

4. Development corporations have been used successfully since the post-war period to deliver complex and co-ordinated delivery of development and infrastructure at scale. These have included New Town Development Corporations (NTDCs) and Urban Development Corporations (UDCs) for the renewal of former industrial areas such as Canary Wharf in London. More recently other forms of development corporation have emerged, which are locally led, and can pump prime investment and economic growth.

5. The catalyst for establishing a focussed delivery vehicle is HS2 and proposals for a new station at Toton. The East Midlands HS2 Growth Strategy, published in September 2017, established the region’s ambitions to maximise the opportunity of unprecedented investment, presented by HS2.

6. Recognising this opportunity, and the possibility of widening the area of potential development, the Midlands Engine was asked to consider three locations in the East Midlands. Specifically, the programme of work is focused on the Ratcliffe on Soar Power Station, Toton and Chetwynd Barracks (both in Nottinghamshire), and East Midlands Airport (in Leicestershire). Through establishing a locally led development corporation across these three sites, it is envisaged that a single, integrated vision and economic development proposition could be established.

7. The core costs for the Midlands Engine development corporation programme is funded by the Government, through the Ministry of Housing, Communities and Local Government (MHCLG). The total funding available from Government is £2 million, spread equally across 2 years. Because of the potential benefits for the local economy, Nottinghamshire County Council agreed to supplement the programme budget by providing resource for staffing costs. With a sum of £250,000 being set aside for the financial year 2019/20 from the Council’s share of the NNDR pool (National Non-Domestic Rates). Other partners are providing “in kind” staffing and non-staffing resources.

The Proposition

8. For the purposes of Government assessment, the development corporation team (comprising paid officers and staff from expert consultancies) is considering a range of different scenarios. The initial analysis indicates that the emerging proposition could deliver:
• 4,500 homes
• total employment of over 40,000\(^1\) jobs across the three areas, with a net additional 84,000 jobs across the region
• 1 million tonnes of freight handled at East Midlands Airport per annum
• A green corridor connecting the three areas through the existing blue and green infrastructure
• £4.8bn GVA growth per annum for the region.

9. The potential of developing each site as part of an integrated, wide area approach, has been considered by the team and this has generated the estimates set out in paragraph 8. The propositions are summarised as follows:

**Ratcliffe on Soar Power station, privately owned by Uniper UK Ltd**
Employment-led development through a joint university and industry research and demonstrator facility are being drawn up. This would build on the energy-generating heritage of the site and wider region. A range of complementary uses are also being explored, including a new skills centre, energy generation, data storage, and advanced manufacturing. In total, the emerging proposition highlights the potential to deliver up to 20,000 jobs.

Consideration is also being given to the potential for ‘freeport’ status, working with East Midlands Airport. The D2N2 and Leicester and Leicestershire LEPs are leading work with public and private sector partners to respond to a Government consultation on their proposed freeport policy. The consultation closes on 20th April 2020 and presents an opportunity to comment on the Government’s objectives and ambitions for Freeports and the criteria by which locations could be selected.

**Toton and Chetwynd Barracks**
Proposals centre on Toton and Chetwynd Barracks and create a garden village with a mix of housing and employment that has the potential to deliver around 4,500 homes and up to 6,500 knowledge-driven jobs. It will provide a highly connected community. The area will have unrivalled national, regional and local public transport links. The vision of a ‘station in a park’ with a mixed-use innovation campus connects well with the concept of a ‘Green Corridor’ integrating the three development locations via the River Erewash and canal.

**East Midlands Airport**
East Midlands Airport is a major economic driver for the East Midlands economy. Some 9,500 people are employed at over 100 businesses across the airport site. To the immediate north of the airport lies the 700 acre East Midlands Gateway served by a major new rail freight terminal. The gateway will create 7,000 additional jobs on completion. The development proposition will include sustainable growth and acceleration of the freight handling capacity beyond existing growth plans. In addition, consideration is being given to the potential for ‘freeport\(^2\)’ status, as mentioned above.

10. Each site is significantly in excess of 200 hectares. Together they have the potential to drive a level of co-ordinated investment, particularly in the enabling infrastructure, not seen in these areas for several generations. The development corporation could act as a catalyst for further growth and connectivity across the East Midlands. The wider region could benefit from the infrastructure, skills, knowledge and capacity offered by this type of integrated development. In addition, there are synergies with the plans and aspirations of partners across the region including Local Industrial Strategies.

11. The infrastructure under consideration includes social, environmental and physical infrastructure such as transport, digital and utilities. Specific measures will include improved roads and a concerted focus on integrated public transport provision, reflecting the findings and recommendations of the East Midlands

---

\(^1\) Includes existing and new employment
\(^2\) Freeports, also known as ‘free zones’ or ‘free trade zones’, are a type of special economic zone. They are within a country’s physical border but are considered to be outside of the customs border and attract economic benefits.
Gateway Connectivity Study. Delivery will involve close working with Midlands Connect. Ultimately, the proposition is focussed on demonstrating how an integrated delivery vehicle could attract much needed investment for supporting infrastructure and how it would optimise and accelerate the potential of the area.

12. The programme of work has a strong focus on inclusive growth. Specifically, the initiative will consider skills and training, and it will provide an opportunity to consider integrated approaches, working with industry, education and research institutions. This will reflect the on-going restructuring of the economy with continued technological advancement. A hub and spoke approach should help to link areas of higher deprivation to the opportunities.

13. Finally, the proposal has an ambition to protect and enhance the natural environment, linking the area’s distinctive green and blue infrastructure through a green corridor connecting the three development locations alongside the River Trent; River Erewash; River Soar, the canal network; and Attenborough Nature Reserve.

Programme Governance

14. The development corporation programme is a Midlands Engine initiative and brings together a diverse range of partners from across the public and private sectors. The programme is governed by an Oversight Board supported by an Executive Group. The Oversight Board is made up of Leaders from the East Midlands upper tier local authorities and directly affected district and borough councils, alongside private sector; business community; central government; LEPs; and universities. The Executive Group is a smaller group of executive officers. Both are chaired by Sir John Peace, the Chairman of the Midlands Engine. Anthony May, the Chief Executive of Nottinghamshire County Council and Chair of the Midlands Engine Operating Board is the Senior Responsible Officer for the programme and Ken Harrison is the Programme Director. The D2N2 LEP provides a financial assurance role, through its Accountable Body, Derbyshire County Council. The terms and objectives for the programme are enshrined in a Memorandum of Understanding (MOU) with the Ministry for Communities, Homes and Local Government (MHCLG). This MOU provides the basis of the Government’s £2 million funding package for the programme’s core costs.

15. The provisional timetable for the programme estimates that a draft outline business case will be complete in the Spring of 2020. The aim of the business case is to set out an options appraisal, which considers the relative merits of integrating the sites into a single, locally led development corporation. Importantly, the business case must demonstrate how a development vehicle of this type meets the criteria for public-sector intervention. In addition, it must set out a clear case for change, with a value for money assessment, an examination of commercial and financial viability, and a route to delivery. A Summary Business Case was endorsed by the Oversight Board on 5 March 2020, subject to agreed amendments, which have now been made. Discussions are ongoing across the partnership and with officials from MHCLG, to ensure an inclusive approach. Additionally, the Secretary of State for Housing, Communities and Local Government, Robert Jenrick (Member of Parliament for Newark) has been updated regularly.

16. An important part of the programme is liaison with local authority Chief Executives. Representative Chief Executives from upper tier and district and borough councils are members of the Executive Board, and Anthony May chairs a weekly telephone conference for all Chief Executives. This weekly call includes the Chief Executive of the D2N2 LEP and the Chief Executive of the East Midlands Councils.

17. This group of Chief Executives was tasked with drawing up a “statement of intent” for the programme, to ensure consistency in respect of some key underpinning issues. This statement of intent is attached as Appendix A and sets out the shared aspirations of the local authorities for the development corporation proposition.

18. The development corporation programme team is actively engaging local stakeholders to inform the business case. This includes through the Oversight Board and Executive Group; the weekly conference
calls referred to in paragraph 16; as well as active stakeholder participation in the programme team; regular briefings with LEPs, local authorities; and other stakeholders. Importantly, given the sites under consideration, representatives of Uniper and the East Midlands Airport are engaged.

19. Initial work on the business case has highlighted the lack of an “off-the-shelf” statutory model, which could deliver fully the region’s aspirations for a locally led approach across this wider area. Specifically, the current Locally Led New Towns Development Corporation model is for housing-led new settlement developments. In this context, locally led includes oversight by Elected Members from the affected Councils. The Urban Development Corporation model is more suited to the mixed type of development envisaged in this programme but is not locally led.

20. Coincidentally, in late 2019, the Government undertook a consultation on the effectiveness of the current models of development corporations. The Government consultation, at least in part, seeks views and ideas on whether the current and complex legal framework inhibits the establishment of development corporations, which are locally led and cover a mixed type of development. The Midlands Engine submitted a response to this consultation. Using learning from the Midlands Engine development corporation programme, this response recommended the introduction of a new type of development corporation, which allows mixed development across a wide area, and is locally led. The outcome of the consultation is awaited, and further updates will be provided.

21. The decision whether to establish a development corporation of any kind rests with the Secretary of State and is subject to a clear criterion, and a parliamentary process. Equally, if a new type of development corporation was to be implemented, it is likely that this would require a parliamentary process. This being the case, there has been consideration of how to maintain momentum in the interim, assuming Government and local partners want to proceed. This momentum could be achieved by the introduction of a non-statutory interim vehicle, established with the agreement of affected partners. The details of this vehicle will be considered by the programme governance and be worked up for the draft business case. The involvement of all the directly affected local authorities, as part of the oversight function, would be a cornerstone of any such interim approach.

OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

22. As part of the business case process, two different scenarios, the reference case (a scenario for growth without a development corporation) and the proposition (growth enabled by a development corporation) are being tested to help demonstrate the value that a development corporation could bring; this is standard practice for the assessment of business cases by Government. The process for testing development corporation proposals is set out by Government and is subject to evaluation criteria. This evaluation criteria includes a comprehensive options appraisal.

FINANCIAL IMPLICATIONS (INCLUDING VALUE FOR MONEY/VAT)

23. The core programme costs for this programme are met by the Government, as set out in paragraph 7.

24. Longer term, there may be additional financial implications, if a locally led development corporation is established.

SOCIAL VALUE CONSIDERATIONS

25. A key focus of the development corporation programme is inclusive and sustainable growth – high quality jobs, housing and transport, accessible and tailored to meet the needs and aspirations of current and future generations. The Statement of Intent (Appendix A) sets this out.

26. Beyond the economic benefits, the programme is designed to protect and enhance the environment. In defining the proposition, there is a strong focus on reducing emissions, and achieving net gains in natural capital.
1. INTRODUCTION

This report provides an update on Markham Vale and the Enterprise Zone.

2. RECOMMENDATION

2.1 To note the continuing progress being made on development activities, securing new occupiers and other updates regarding the Enterprise Zone in general.

3. PROJECT BACKGROUND

3.1 Markham Vale is Derbyshire County Council’s largest-ever regeneration project which aims to reverse the unemployment and deprivation which followed the closure of the mining and other heavy industry in north east Derbyshire. The 200 acre Markham Vale business park is strategically located in the heart of the UK’s motorway network, located in north east Derbyshire. Covering a total area of 890 acres, some 200 acres is specifically reserved for the business park transforming the area into a major business and industrial location creating 4,100 new jobs and over three million square feet of commercial floor space. The total cost of the project is estimated at £96 million but this will bring in a further £250 million of commercial investment through a significant public – private sector partnership between Derbyshire County Council and Henry Boot Developments Ltd. It involves substantial improvements to the local transport network including a new M1 motorway junction – 29A, new link roads and estate roads, improved bus links, cycle trails and footpaths.

3.2 To date, some 86% of the 200 acres of development land has been prepared for development, whilst 63% or 125 acres have been developed and occupied. Additional acreage of development land is either under offer or is in the process of being developed and further development plots are still to be created.

4. PROJECT PROGRESS

4.1 Markham Vale East

4.1.1 The owner of Square One Brew House, a start-up business which recently set-up at the Environment Centre has had a change in circumstances and has closed the business. There is therefore a vacant unit available to rent.

4.1.2 Construction for a new HGV maintenance facility on a 1.6 acre plot for Transcare Ltd is progressing When operational the Derbyshire based company plans to create between 5 and 10 new jobs.
4.1.3 On Plot 5 South, the speculative 15,000 sq. ft. factory and office unit has been sold and the owners are currently fitting out the building. The details of the purchaser will be announced when the facility becomes operational.

4.1.4 The remaining part of Plot 9a is included within the Innovation Park Study area centered on the former Coalite site, although it continues to be marketed for development.

4.1.5 On Plot 2, the former Andrew Page Ltd building continues to be marketed by its owners; they have recently advised that a number of enquiries have recently been received.

4.1.6 Funding proposals are being developed to complete the construction of a route to work cycle path as part of an outstanding planning condition.

4.2 **Markham Vale West**

4.2.1 In February, Henry Boot Developments held a launch event for MV55, a 55,000 sq. ft. speculative factory unit on Plot 6 East fronting on to the M1 motorway. Marketing continues.

4.2.2 A design review of Plot 6 West has concluded that an additional area could be released for development thereby creating a slightly larger plot. Tenders for the earthworks contract have been invited and are currently being assessed.

4.2.3 Discussions continue with a major employer for a new office/workshop development on Plot 7 West.

4.2.4 Heads of Terms have been agreed with two separate occupiers for two small plots within the ancillary retail area of Plot 7 East. These are currently going through the legal processes.

4.3 **Markham Vale North**

4.3.1 The 52,500 sq. ft. building on Plot 13 is being fitted out by its owner Protec International with aim of becoming operational this spring. This is an additional facility for the Sheffield based company and the development includes an option to construct a further 50,000 sq. ft. manufacturing facility as the business continues to grow.

4.3.2 Subject to securing planning approval, construction will begin in April for a speculative development on Plot 15 comprising two factory buildings with associated office space; one measuring 221,518 sq. ft. and a second one measuring 75,500 sq. ft.

4.3.3 Gist have acquired a narrow strip of landed adjacent to their existing premises to enable the company to continue with their growth plans.

5. **MARKETING AND WIDER SITE**

5.1 Marketing of the development opportunities continues, using a variety of forums and techniques, although the current climate in the short term is challenging for the commercial property sector.

5.2 Markham Vale were a corporate sponsor at the recent Celebrate Chesterfield event.
5.3 Viridor landfill Credits are the latest sponsor of the Walking Together Mining Memorial enabling 15 miners to be commemorated at a planned event in May 2020. Unfortunately the unveiling ceremony may have to be cancelled due to the current Covid 19 crisis.

5.4 Further sponsorship has been secured from Great Bear, HBD and other community contributors which will enable a further event to be held in the Autumn to commemorate a further 8 miners.

5.5 The Walking Together Mining memorial has been selected by Tesco to be a recipient of its Bags for Life promotion at its Clowne branch between April and June 2020. A number of other funding opportunities are being explored.

5.6 Design work continues on a number of outstanding site remediation, plot creation and physical regeneration works; the aim is to complete these works over the next two years subject to securing funding.

5.6 The ‘Grow Your Workforce’ initiative continues to be successfully supported by business looking to recruit at Markham Vale with details of dozens of vacancies posted each month. As can be expected during the current Covid 19 crisis, some sectors (food distribution for example) are seeing an increase in available vacancies whilst other sectors are being negatively impacted. The Annual Jobs Survey is underway and the results will be made available over the coming weeks.

5.7 The Environment Centre continues to provide a focus for marketing of the site whilst also providing high quality training and conference facilities which all add to the vibrancy of the business park. We are experiencing a drop in bookings for the conference and training facilities.

5.8 Support is being made available to all business based at Markham Vale including signposting them to the resources made available by Central Government, D2N2, the County Council and others. These resources are changing daily and the team continue to liaise with colleagues across the Council and other organisations to keep abreast of the situation.