



D2N2 LEP

Local Assurance Framework

Updated November 2020

Table of Contents

Introduction	3
LEP Governance	4
D2N2's Structure and Board	5
Scheme of Delegation.....	8
LEP Policies and Procedures	9
Diversity Statement	9
Board Remuneration and LEP officer salaries.....	9
Complaints Policy and Whistleblowing Policy	9
Conflicts of Interest and Code of Conduct.....	9
Publications of reports and information.....	10
LEP accountability and transparent decision making	12
The Accountable Body	12
Section 151 officer	14
Contracts.....	14
Government Branding	15
Engagement with Stakeholders	16
Inclusion and Sustainability.....	17
Project Selection and Approvals Process.....	18
Pipeline Development	18
The Approval Process	18
Value for Money.....	22
Part Delivery of the Project and Pre compliance Funding.....	22
Risk.....	23
Monitoring and Evaluation	24
Scrutiny and Audit Arrangements.....	25
Appendix 1 – LEP Board Terms of Reference	27
Appendix 2 – Investment Board Terms of Reference	31
Appendix 3 –Nominations and Remunerations Committee	35
Appendix 4 – People and Skills Board Terms of Reference.....	39
Appendix 5 – Business Growth and Innovation Board Terms of Reference.....	45
Appendix 6 – Place Board Terms of Reference	49
Appendix 7 – D2N2 Inclusion Framework.....	52

Introduction

Local Enterprise Partnerships (LEPs) are locally owned partnerships between the public and private sectors.

D2N2 is the LEP for Derby, Derbyshire, Nottingham, and Nottinghamshire and is one of the largest LEPs in England, covering a population of over 2.2 million people with an economic output of over £46.6 billion.

D2N2s vision is a more prosperous, better-connected, and increasingly resilient and competitive economy; its ambition is to be one of the most respected LEPs, known for its professionalism and effectiveness. Its purpose is to support and encourage economic growth across the D2N2 area.

The Local Industrial Strategy (LIS) and Emerging Recovery and Growth Strategy (ERGS) present the LEPs strategy and delivery priorities for boosting the local economy and provides the basis for determining the key funding priorities to which available resources should be directed. The D2N2 Strategic Economic Plan is available online at; www.d2n2lep/sep. We will shortly release our Economic Recovery and Growth Strategy which will provide strategic guidance into the interventions that the LEP choose to support through their funding programmes. Alongside this, the Local Industrial Strategy is available at d2n2lep.org/local-industrial-strategy/.

This Local Assurance Framework (LAF) sets out how D2N2 will effectively undertake its role in relation to good governance and delivery of public funds it is responsible for. It identifies the roles to be taken by D2N2 and its constituent Boards, by the Accountable Body and by the promoters of projects. This includes the process of ensuring value for money, prioritisation, appraisal, business case development and risk management

It also sets out the process to be followed in selecting priorities for the Local Growth Fund and other funding programmes.

D2N2 is fully committed to ensuring the highest standards of governance, accountability and transparency across all aspects of its activities and will review the LAF annually and make any changes in line with changes made to the National Assurance Framework (NAF) to ensure consistency and full compliance.

The Accountable Body for D2N2 is Derbyshire County Council which has responsibility for ensuring this LAF is in place, meets the standards set out by Government and that all funding decisions are made in accordance with it. The Section 151 officer at Derbyshire County Council ultimately provides assurance of proper use of Government Funds and Governance Procedures within the LEPs activities.

D2N2 will notify the Ministry of Housing, Communities and Local Government (MHCLG) of any significant changes made to the LAF.

LEP Governance

D2N2 have clear systems, rules and practices and processes in place to ensure that decisions are made on a transparent basis, by the appropriate persons or groups and based on appropriate skills and capability.

Members of the LEP Board and other subgroups will work within the agreed governance structures and will always demonstrate the highest standards of conduct. Any third party involved with the LEP or who is providing a service to the LEP will be made aware they are expected to act within the governance system and that their conduct is expected to be consistent with the standards applicable to members of the LEP.

The Nolan Principles of Public Life underpin the LAF and all board and sub- board members are expected to adhere to them, these are:

- **Selflessness:** Holders of public office should act solely in the public interest.
- **Integrity:** Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family or their friends. They must declare and resolve any interests and relationships.
- **Objectivity:** Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias.
- **Openness:** Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for doing so.
- **Honesty:** Holders of public office should be truthful
- **Leadership:** Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

D2N2's Structure and Board

D2N2 became a company limited by guarantee on the 1st of April 2019.

The LEP Board is responsible for determining economic strategy for the region and setting the priorities for funding. It acts as the ultimate decision making body for the LEP and is comprised of public and private members who work collaboratively to ensure that decisions are made in the interests of promoting inclusive growth, prosperity and improved productivity in the local area and beyond. As the ultimate decision-making body, even when the LEP Board puts in place a scheme of delegation, the LEP Board remain responsible and accountable for the delegated decision.

The LEP Board has 18 members, 6 from the public sector (Local Authorities) and the remaining 12 from the private sector. The LEP is expected to have a minimum of at least two thirds private sector membership at any time in accordance with the NAF, and a gender balance that ensures a one-third female representation increasing to half by 2021

The LEP Board has the option to increase this to a maximum of 20 members and to co-opt an additional 5 board members with specialist knowledge on a one-year basis unless there are exceptional circumstances.

The Chair of the D2N2 LEP is appointed using an open invitation exercise which is published through LEP channels outlining the role description and person specification. Following the open advert, a Nominations and Remunerations Committee will shortlist the potential applicants and an interview process by the Nominations and Remunerations Committee will be held to select the Chair of the Board. The Terms of Reference of the Nominations and Remunerations Committee are included in Appendix 3.

The Deputy Chair of the LEP is selected by the incumbent Chair at that point in time, any decision made by the Chair must be formally ratified by the rest of the Board.

The remaining memberships are decided in the following way.

- **Public.** All four leaders of the Upper Tier Authorities are invited to be Board Members. The remaining 2 members are appointed by the respective economic prosperity committees of the District/Borough Councils every two years with one from Derbyshire and one from Nottinghamshire.
- **Private:**
 - 1 Higher Education (HE) Member. The three Universities from the area share the board position on a rotating membership basis which changes every two years.
 - 1 Further Education (FE) member which is decided on a bi-annual basis where the new representative is nominated by the Further Education providers in the area.
 - 1 Voluntary and Community Sector representative who is openly recruited with input from the sector on a bi-annual basis.
 - 9 Remaining private sector representatives. Private sector members of the Board are appointed through an open selection process including a Small and Medium Enterprise (SME) Representative. Each vacancy is openly advertised on the D2N2 website and wider channels with clear job descriptions and person specifications for

the role. The Nominations and Remunerations committee appointed by the LEP Board is then responsible for shortlisting and selecting the potential candidates led by the LEP Chair. Each term is for an initial 3 years with the option to be extended for a further term subject to the approval of the chair.

D2N2 remains committed to diversity on its Board based on all protected characteristics and will encourage engagement and representation from across all communities from across the region. The Board will have a nominated Diversity champion that will be publicised on the LEP website.

The LEP keeps a register of appointments for all its Private Sector board members which indicates when their current tenure expires. Board members are notified with six months of their term left and given the option to reapply for a one term extension. Should the board member choose not to reapply the position is advertised through the process described above.

Part of the Nominations and Remunerations committee's responsibility is to plan for future appointments, including succession planning, to ensure that that the Board Membership reflects the D2N2 area including age, gender, ethnicity, public and private sector, geography, and skills.

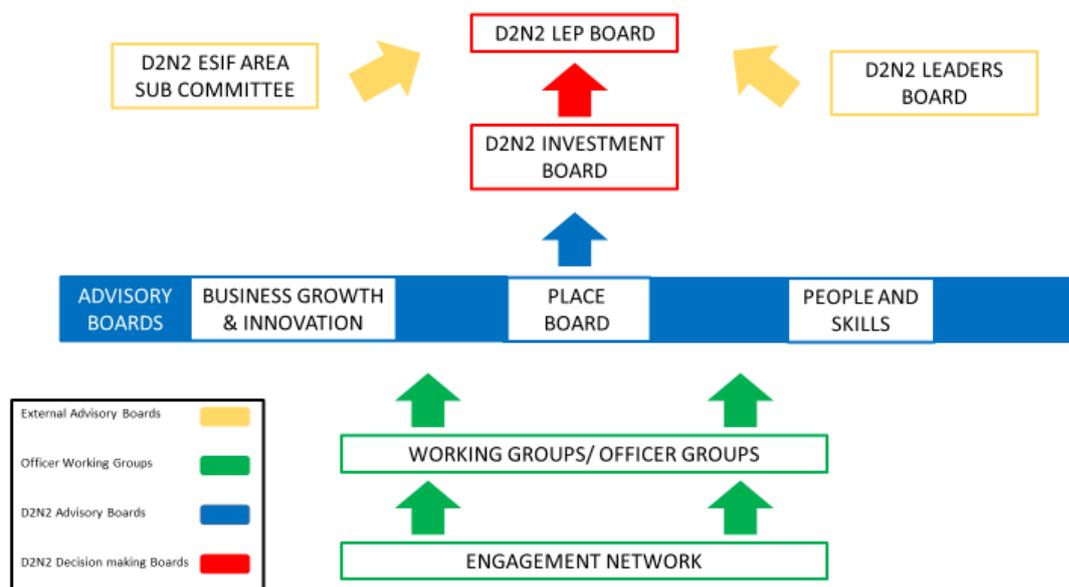
The process for the resignation of board members is covered in the Articles for Association which are published on the website.

Each Board member is given an induction pack including the Code of Conduct policy and Declarations of Interest Policy, with a formal induction process undertaken within the first quarter of the appointment of new board members. The LEP continues to review this process and works to keep it in line with the LEP Network.

Additional governance information such as Terms of Reference and membership lists for all of the LEP's Advisory Boards and supporting groups are also published, alongside information on future board meeting dates and schedules of when information is made available on the website. The appointments process for each individual board/group will be included in its respective Terms of Reference.

In addition to the main board, D2N2 also has in place a formal governance structure of advisory boards that lead on key issues identified within the LEPs strategic vision and to serve to bring together partners across the region to collaborate in the context of the LEPs convening role.

The governance structure of the LEP is as follows:



Terms of reference for all **Advisory Boards** are included within the appendices of this document.

The LEP manages all its Capital and funding programmes through discussions at an officer level through the Advisory Boards as listed above. Any financial decisions are decided by the Investment Board and LEP Board.

The **Investment Board** is responsible for overseeing all investment decisions on behalf of the LEP Board and will take a first review of all financial decisions and will provide a recommendation for ratification to the LEP Board. This includes decisions relating to the Local Growth Fund, Getting Building Fund, Growing Places Fund, Enterprise Zone Business Rates Recycling and other appropriate LEP funding streams. In circumstances where an accelerated funding outcome is needed, D2N2 Officers can request a decision by the LEP Board through written procedures following a recommendation for approval from the Investment Board, with the approval of the Chair. The Investment Board will continue to monitor the associated contracts of its investment decisions with updates provided to the LEP Board.

The Terms of Reference for the LEP Board and Investment Board are shown in appendix 1 & 2. Any Terms of Reference relating to the Advisory Boards and their subgroups will be published on the LEP's website once approved and incorporated within the LAF.

All LEP officers are employed by the East Midlands Chamber of Commerce, with the Chief Executive directly responsible to the Chair of the LEP board. A Service Level Agreement is in place between the LEP and the Chamber of Commerce to provide payroll services for D2N2 staff.

D2N2 staff are therefore independent from any Local Authority or individual organisation and are able to provide impartial advice to Board members.

Scheme of Delegation

The current scheme of delegation is for decisions to be made by the LEP Board. The LEP Board may from time to time delegate decisions to its Advisory Boards or the Chief Executive which are outlined in the terms of reference for each Advisory Board.

Where a decision is required on funding within the LEP's control or influence, generally the Investment Board would make the decision, unless otherwise agreed by the LEP board.

A decision which is made in contravention of the process will be invalid based on non-compliance unless the LEP Board has given prior approval for variation in the decision-making process.

Any decision that needs to be made by the LEP Board/Investment Board that does not fit within the timeframe of the scheduled meetings can be decided through written procedures. All members of the relevant board will be written to with the appropriate documentation that would be presented in the same manner as it would be to The Board or Investment Board. Each member will then be able to reply with any concerns and their approval/rejection to the chair, who will confirm the decision.

Any decision coming forward by written procedures will be done so at the discretion of the Chair of the Board.

LEP Policies and Procedures

As a LEP D2N2 have adopted key best practice policies especially those set out on the back of the LEP review which was carried out in July 2018 to strengthen the position of LEPs and their Governance. These all mirror national LEP exemplar and best practice models as a minimum. All policies are available on the LEP Website.

Diversity Statement

D2N2 has an Equality and Diversity Policy which is published on its website. This explains how the LEP ensures representation at Board and Sub Board level which is reflective of the local business community, the steps D2N2 are taking to ensure diversity in its engagement with local communities and businesses and how diversity will be monitored at Board level.

A report will be taken annually to the Board discussing progress in encouraging diversity and how improvements can be made.

D2N2 has a named diversity board and executive champion which is published on the website.

Board Remuneration and LEP officer salaries

Senior LEP officers and Board Members remuneration will be included within D2N2's Annual Financial Report. In line with best practice any salary over the £58,200 threshold will be named to the relevant position.

The Chair of the LEP Board does not receive any remuneration for the role and LEP Board members are only able to claim expenses for their role. All expenses registered by LEP Board members are available subject to request.

Complaints Policy and Whistleblowing Policy

D2N2 have both a Complaints Policy and Whistleblowing Policy, which are published on the D2N2 website and are regularly checked and updated. Both policies are consistent with the Best Practice guidance issued to LEPs following the Ney Review of October 2017 which worked to review LEPs practices in ensuring safe stewardship and usage of public funds. We also have a confidential reporting policy following best practice guidance, which is also published on the website.

Conflicts of Interest and Code of Conduct

D2N2's Conflicts of Interest Policy, which is published on the website outlines the process for Board members and officers to declare and report interests, ensuring impartiality and the avoidance of perceptions of bias.

It includes guidance on pecuniary and non-pecuniary interests' individuals must declare, outlines the process that Board members follow for declaring interests and explains the process for requesting an exemption.

Individual registers of Board members are published on the website and updated on an annual basis.

D2N2's Code of Conduct Policy, which is published on the website, outlines the expectations of Board members when acting in capacity as a Board member of the LEP.

All D2N2 staff are also required to sign the code of conduct policy.

Publications of reports and information

LEP Board papers are published on the D2N2 website and Investment Board papers are published through the Derbyshire County Council website. (A link on the D2N2 website to the Investment Board papers is also provided).

These are published in line with the Best Guidance Practice Guidance in accordance with the Local Government Act 1972, meeting agendas and papers are published 5 clear working days before the meeting takes place and draft minutes of the meeting are published within 10 clear working days of the meeting taking place.

Any declaration of interest made at the meeting will be included in the minutes.

The LEP follow its accountable body - Derbyshire County Councils' document classification policy in terms of how documents are classified as public, controlled, or restricted.

Information which is not to be placed in the public domain is treated under The Local Authorities-Executive Arrangements Meetings and Access to Information Regulations 2012 using one of following 7 exemptions:

- (1) Information relating to any individual.
- (2) Information which is likely to reveal the identity of an individual.
- (3) Information relating to the financial or business affairs of any person (including the Authority holding that information).
- (4) Information relating to any consultations or negotiations, or contemplated consultation or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
- (5) Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
- (6) Information which reveals that the authority proposes:
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) to make an order or direction under any enactment.
- (7) Information relating to any action taken or to be taken in connection with the prevention, investigation, or prosecution of crime.

D2N2 will publish their annual accounts on the D2N2 website. The accounts will be reported to both the LEP Board at its annual meeting in line with the articles of associate as well as the Investment Board. An annual financial statement will be published each year within the annual report including:

- The total amount of funds within the LEP's direction or control at the start and end of the financial year.
- The total amounts committed by the LEP to external organisations through grants and risk finance.
- The total amounts committed to suppliers to purchase goods, works or services
- The total amounts incurred in running the LEP

The accounts of the LEP will be published by Companies House and a link to them will be published on the LEP's website.

LEP resources are subject to the usual Local Authority checks and balances through Derbyshire County Council's Financial Regulations and Standing Orders.

The LEP have in place appropriate data protection arrangements in line with the General Data Protection Regulations (GDPR) and the Data Protection Act 2018. The data provided by promoters is the responsibility of the promoters to make sure it complies with the appropriate legislation and that the data is accurate and correct. The LEP is the data controller for Board Members data and any other data they collect including data around projects and programmes.

LEP accountability and transparent decision making

The Accountable Body

Derbyshire County Council was appointed as the LEP's single accountable body in January 2019 and entered into a Service Level Agreement (SLA) with D2N2 to provide these services for a period of 2 years. This details the operating practices and the checks and balances that exist between the LEP as decision makers and the Accountable Body.

The Accountable Body, through the Section 151 Officer, is accountable for the proper use and administration of funding, all of which falls under the annual audit of the Derbyshire County Council's accounts, and for ensuring that decisions are made in accordance with this LAF or any other framework which may instead apply.

These responsibilities include:

- Ensuring the decisions and activities of the LEP conform with legal requirements with regard to equalities, social value, environment, State Aid, procurement etc.
- ensuring that funds are used in accordance with the conditions placed on each grant.
- ensuring (through the Section 151 Officer) that the funds are used appropriately.
- ensuring that this Assurance Framework (or any other which may instead apply) is implemented and adhered to.
- maintaining the official record of LEP proceedings and holding copies of all relevant LEP documents relating to any funding streams the Accountable Body is responsible for.
- ensuring LEP decisions at formal meeting are recorded by way of minutes, and the minutes of each meeting are reported to the subsequent meeting to ensure accuracy. Minutes, agendas, and reports are published on the Accountable Body's and LEP's website
- Responsibility for the decisions of the LEP in approving projects (for example if subjected to legal challenge).
- ensuring there are arrangements for local audit of funding allocated by LEPs at least equivalent to those in place for Local Authority spend. An audit is conducted on an annual basis and the recommendations are reported to the Investment Board and LEP board. In addition, the LEP and the Accountable Body have agreed timescales and operating practices to support the effective implementation of decisions. This will also include a process for monitoring delivery and specification of what information is required from scheme promoters. The Accountable Body also provides a strategic scrutiny function to D2N2 to check on the LEPs Governance, Delivery and Strategy functions.

Awards of funding will be accompanied by a written agreement between the Accountable Body and the promoter, setting out the split of responsibilities and specifying provisions for the protection of public funds, such as arrangements to suspend or claw back funding in the event of non-delivery or mis-management.

The use of resources is subject to the usual local authority checks and balances – including the financial duties and rules which require councils to act prudently in spending; these are overseen and monitored by the Section 151 Officer. As part of the Accountable Body's statutory requirements it publishes a monthly report on its website showing any expenditure over £500.

While it may put in place procedures and promote proper practice, and monitor and report on the effectiveness of these, the Accountable Body is not responsible for any deficiencies in the administration of public monies among funding recipients and partner bodies. In the event of any shortcomings coming to light it will seek to safeguard, and recover where appropriate, the relevant monies through either the LEP mechanisms or its own channels as it considers most suitable in the circumstances.

The Accountable Body would only refuse a decision of the LEP Board and/ or the Investment Board if it were:

- Not procedurally valid, or
- Illegal, or
- would lead to the available budget being exceeded.

If a situation did occur whereby the Accountable Body had significant concerns about a decision the LEP had taken, or proposed to take, then an urgent meeting within 5 working days would be convened by the Section 151 Officer of the Accountable Body with key stakeholders from both the LEP and the Accountable Body.

There will be a clear separation between scheme promoters (i.e. Derbyshire County Council led schemes) and those advising on decision-making (the Accountable Body role), to ensure the LEP is acting on impartial advice on the merits of potentially competing business cases.

The Accountable Body (through the LEP) will appoint an independent support team to work with the LEP to assess and recommend projects to the Investment Board for consideration.

Awards of funding by the LEP will be accompanied by a written grant offer agreement between the Accountable Body on behalf of the LEP and the promoter setting out the split of responsibilities and specifying provisions for the protection of public funds, such as arrangements to suspend or claw back funding in the event of non-delivery or mismanagement.

As a minimum, these agreements will include:

- Details of the project and outputs to be delivered in a specified timescale
- Arrangements for payment (up front or in arrears, quarterly or other)
- Arrangements to suspend or claw back funding in the event of non-delivery or mismanagement
- Monitoring requirements, including the metrics and frequency of reporting
- Publicity obligations and arrangements

The agreement will be signed by the Section 151 Officer (or equivalent) of the promoting organisation and by the Section 151 Officer of the Accountable Body on behalf of the D2N2 LEP, who has the final sign off on funding decisions.

Section 151 officer

The LEP and Accountable Body will ensure they address the five principles of the CIPFA guidance:

- Embed a corporate position for the Section 151 officer in LEP assurance
- Create a formal/structured mandate for the Section 151 officer
- Embed good governance onto decision making
- Ensure effective review of governance
- Ensure appropriate skills and resourcing

All LEP Board and sub board documents which have a financial implication will be provided to the Section 151 officer/delegate, and where decisions are being made the Section 151/delegate will have the opportunity to comment.

The Section 151 officer will ensure their oversight of the proper administration of financial affairs within the LEP continues throughout the year. This will include attendance at the LEP Board where possible, and at a minimum at least one meeting each financial year.

They will provide an assurance statement as part of the Annual Performance Review and attend the review in support of the LEP. They will provide a letter to the Accounting Officer at the MHCLG by 28th February of each year, which will include

- Details of the checks that the S151 officer has taken to assure themselves that the LEP has in place the processes that ensure proper administration of financial affairs in the LEP.
- A statement outlining whether, having considered all the relevant information, the Section 151 officer is of the opinion that the affairs of the LEP are being properly administered (including consistently with the National Assurance Framework and this LAF)
- If not, information about the main concerns and recommendations about the arrangements which need to be implemented to get the LEP to be properly administered.

Contracts

The LEP terms a 'contract' as a grant offer agreement for its grant programmes and a loan agreement for its loan programmes.

A regular programme overview is given at every Investment Board meeting to update the Board on the performance, any issues and risks and mitigations of each project.

On a quarterly basis the Board is updated on outputs with each project RAG rated to highlight any projects which are an area of concern to the LEP's delivery targets. Any formal requests of changes over 10% to change grant profiles or output profiles are taken to the Investment Board for approval.

The LEP board also receives regular updates on performance from the Investment board.

Government Branding

The LEP will continue to meet any branding requirements set by MHCLG including the Midlands Engine branding information.

Each project is given the D2N2 branding guidance document which includes details for press and publicity and marketing and branding materials. This guidance adheres to the standards issued by the Cities and Local Growth Unit.

Each project is contractually obliged to conform to the branding guidance as set out in the grant offer agreement.

This is followed up as part of the monitoring returns from each project, with projects required to provide details of forthcoming milestones linked to publicity opportunities to enable D2N2 to co-ordinate an appropriate marketing approach including engagement with MHCLG.

Engagement with Stakeholders

D2N2 is committed to effective engagement and collaboration with all its partners and stakeholders to effectively undertake its role as a LEP and advocate for its area.

The revised governance model set out under the Governance chapter is built around improving engagement across all partners in a more effective way.

D2N2 uses multiple channels of engagement to effectively communicate with local stakeholders (public, private and the public), both on a continuing basis and to inform specific pieces of work (for example the Economic Recovery Plan).

Examples of D2N2's engagement activities include:

- Consultation of partners and stakeholders in the region for the draft Local Industrial Strategy and Economic Growth and Recovery Plan
- Regular engagement with the local media on the LEPs work.
- LEP Board members and members of the LEP team regularly speak at local events, such as those organised by business membership organisations.
- Regular social media updates and website coverage of LEP activity

The LEP holds an Annual General Meeting which is attended by representatives from the public and private sectors as well as members of the public. This meeting will take place annually and can be held either virtually or in person.

The Chair and Chief Executive of the LEP regularly engage with local Members of Parliament, local Councillors, and key business leaders.

Within D2N2 this engagement is being used to inform key decisions and future strategy development.

The draft LIS and Economic Growth and Recovery Plan, together with local economic development plans and capital programmes of the constituent local authorities provide the context, rationale and up to date evidence base for project and programme development.

Calls for potential projects are published on the LEP's website and circulated via all the LEPs channels of communication. An application form and guidance, which vary between programmes, are published with clear deadlines and contact information. The LEP encourages early discussion about project ideas so it can help organisations decide which funding route is most suitable.

The decision-making process and criteria for each call is included in the guidance. This will often include, at the appropriate stage, review by a panel with relevant specialist knowledge and/or an external organisation (for example a specialist consultancy) to ensure decisions are fair and robust.

D2N2 works closely with neighbouring LEPs including Sheffield City Region, Greater Manchester, Leicester and Leicestershire, Stoke-on Trent and Staffordshire and Greater Lincolnshire. Wherever possible, projects which seek support from more than one LEP will be appraised jointly with the appropriate LEP.

In practice, the D2N2 LEP regularly works with other LEPs on joint concerns, for example on developing policy for supporting key economic sectors and on the commissioning of research.

There is regular communication across the LEPs at Chair, board member and local authority officer level to ensure collaboration and reduce duplication, particularly in relation to accessing shared funding streams

The role of the LEP Network is to share best practice, convene training for LEP Board members and LEP officers and to represent LEP's interests to Government and promote their role in businesses. D2N2 is committed to working with the LEP Network and regularly attends and contributes to LEP Network events and initiatives.

D2N2 also works closely with the Midlands Engine LEPs on sharing best practice and improving cross-regional collaboration and strategic development of priorities.

Inclusion and Sustainability

The LEP looks to enable inclusivity and sustainability in to all its decision-making processes and strategic development. In order to be able to do this the LEP Board has a nominated Voluntary, community and social enterprise representative and each advisory board must have at least one named inclusion representative at all times.

The LEP's prioritisation, appraisal and evaluation processes will build in Social Value and inclusion, environmental impacts, and indirect benefits. The LEP board have adopted a charter for Inclusion and Sustainability that formalises and embeds that commitment. This is included as an annex to this framework.

Based on the principles of the Charter, the LEP will consider how projects will improve the economic, social, and environmental well-being of the D2N2 area, how equality issues are considered, and how such improvements can be secured in the procurement process itself. The LEP is committed to securing Social value through the awarding of its contracts and will work with project promoters to embed that within the project design.

All of the LEPs strategies set out the inclusive ambitions and all decisions for capital funding must take into consideration the D2N2 Employment Charter which requires all projects to align their construction and development projects to a set of principles which create sustainable Economic, Environmental and Social impacts.

Further to the Procurement Charter, the D2N2 LEP Board has approved the D2N2 Inclusion Framework in July 2020. The Inclusion Framework underpins the LEPs work to tackle exclusion and promote social mobility, which is central to the third guiding principle in the LIS: delivering connectivity-led growth to all parts of the region. It also provides a clear statement that as a LEP we are committed to ensuring we monitor our impact on all communities and encouraging broader engagement from diverse groups. The Inclusion Framework can be seen in Appendix 7 of this document.

Project Selection and Approvals Process

Pipeline Development

Pipeline Development is critical to the functioning of the LAF. The goal of the pipeline is to prioritise a longlist of projects that are required to submit a Business Case, if selected, for progression in the LAF.

The pipeline will be open at least once per year, all projects will be aligned to this cycle irrespective of their source, though D2N2 will also consider projects that are critical but whose timings fall outside this call window in fast tracking procedures.

The Approval Process

The project promoter is required to provide a detailed business case setting the rationale for investment funding and how the project aligns with the LEPs strategic objectives.

The approval process is in two stages, which requires the promoter to provide a detailed business case at each stage identifying how the project has progressed and providing assurance and evidence that the outputs identified in the original submission can and are to be delivered.

The LEP will liaise with the promoter throughout the process, ultimately taking a recommendation to the Investment Board and the LEP board (when applicable) for approval and release of the funds. A report is taken to the Investment Board, which includes a summary of the project and a checklist evidencing compliance with the LAF.

The Accountable Body will issue an offer letter to the promoter detailing how and when the grant/loan will be paid and the conditions and any claw back.

The LEP will monitor the project and its delivery against the agreed final business plan.

Expression of Interest (EOI) – A high level business case is to be submitted to the LEP using the Infrastructure Pipeline Application Form. This form needs to include the following:

1. A description of the project.
2. Identification of why the funds are required (Development Funding Viability Gap)
3. Justification of the Strategic, Economic, Financial and Delivery case for the project.
4. Details of the intervention required.
5. Identification of the source of match funding.
6. Details of the outputs and outcomes to be delivered by the project and the projected delivery date.

EOI submissions will be available to submit on an annual basis as detailed in the Pipeline Development section. The LEP also reserves the right to initiate more than one pipeline call per year subject to requirements.

Draft Business Case (DBC) – A Draft business case is required to be submitted by the promoter to the LEP when the project has reached the following milestones.

1. All the land required to deliver the project is in the control of the promoter (and/or in the hands of legal due diligence awaiting exchange/ completion).
2. A planning application has been submitted and verified by the local planning authority with a determination date or permitted development for the project is approved.
3. Match Funding - All other sources of funding must be identified. Letters of support from the sources of funding are to be annexed to the business case.
4. Internal approvals have been met – A letter or minute of the approval is required to be annexed to the business case.
5. The promoter is required to justify the amount of funding being sought and where possible a RICS viability report is required to support the identified intervention/viability rate. For major infrastructure projects being delivered by public sector bodies (i.e. Local Authorities, Statutory Bodies etc) the promoter needs to demonstrate why the funding cannot be found through other sources of income. All private sector projects will be capped to a maximum development profit of 15%. This viability report will be independently assessed and validated by a qualified property professional.
6. Details of the outputs and outcomes that the project will deliver and their timing.
7. Evidence of need – A report identifying the need for the project and how it aligns with the LEPs Strategic Priorities
8. Procurement of a contractor/ developer commenced. The promoter is required to provide details on how the process aligns with Government procurement rules and how the project will address:
 - Sustainability
 - Employment of Graduates
 - Economic and social charter
9. A detailed project programme is to be provided including the proposed start and finish dates and all phases of the development cycle.
10. A financial proposal setting out all the funding required by quarter in each of the financial years. It is a requirement for release of funding that the promoter will need to demonstrate capital expenditure. All private sector sponsored projects will be paid on a 50% basis of their expenditure in arrears with the project sponsor demonstrating their 50% contribution towards costs.
11. A risk register identifying:
 - The Single Responsible Officer delivering the project
 - Details of the risks which are scored
 - Mitigations to address the risk and a new score taking mitigations into account.
12. A State Aid compliant report is to be provided by a suitably qualified UK lawyer with a duty of care to the promoter and LEP/AB. The project is required to be State Aid compliant before it is progressed, and the report is required to be annexed to the business case.

The LEP and Accountable Body will carry out an assessment of the business case in line with the EOI submissions and the requirement of the LAF and report back to the LEP officers' group that meets before the Investment Board. At this stage of the process, the LEP will feedback to the projects on any further requirements that should be included as part of the Final Business Case submission. Once approved by the LEP, D2N2 will inform the promoter of this approval and allow them to progress to the final submission of the approval process.

Final Business Case (FBC) - The final submission requires a full business case to be submitted by the Section 151 officer or equivalent (CEO, MD, FD) of the promoter. The business case needs to be submitted to the LEP and the Accountable Body. The final stage of the approval process is submitted when the project has met the following milestones.

1. A detailed 'Green Book' compliant business case has been completed detailing the project and its alignment to the 5-case model. 'The Checklist'¹ published by HM Treasury is a useful one-page guidance paper.
2. A VFM assessment must be completed. This VFM assessment will be independently assessed by D2N2 and must show an overall score of 'High'.
3. Details confirming that all planning consents have been granted and that all pre-start conditions have been met.
4. Confirmation that any 'Section 106' or other agreements have been entered.
5. Confirmation of the results of the procurement exercise detailing:
 - The tenders received (along with the detailed costs)
 - The tender accepted (along with timescales/ conditions)
6. Details of the construction contract to be entered into by the promoter detailing:
 - Start date
 - Completion date
 - Liquidated damages/ cost over runs
7. Confirmation that the promoter will be responsible for any variations to the contract price and that once entered, the contract will be completed in line with the details submitted. The promoter should submit a separate letter appended to the Business Case which confirms this from their Financial Director or equivalent.
8. Confirmation that the project has been designed to RIBA Stage 4 or its equivalent.
9. Details of any outstanding points preventing/ delaying the start-up of the construction contract.
10. Details of any changes for the project from the initial EOI and OBC submissions with reasoning behind these changes. Including an updated viability report as submitted in point 5 of the OBC.
11. Confirmation that all funding is now in place with details of the sources of funding, please include letters from third party funders confirming any conditions and timescales. (To be annexed to the business case)

1

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/190603/Green_Book_guidance_checklist_for_assessing_business_cases.pdf

12. Confirmation that all land/ legal agreements have been completed and are in the control of the promoter to deliver the entire project.
13. A phasing plan identifying the start and completion elements of the project along with costs associated with each phase and the outputs/outcomes that will be delivered on a quarterly basis.
14. An updated risk register identifying the key risks and the project manager responsible. The risk register needs to be scored and include a mitigation plan.
15. The project sponsor must provide details of how this intervention will deliver on sustainability and inclusion outcomes, including through the procurement and construction of the project. For example, projects are requested to provide details on Impacts to local communities, levels of affordable housing, Low Carbon and Green impacts and levels of skills and training.

The promoter is required to address all the points above, failure to supply this information may delay any recommendation being put forward to the Investment Board.

The LEP and the Accountable body will progress the projects to the Investment Board as follows:

1. The LEP and their appointed External Independent assessors will review the business case alongside the Accountable Body
2. The Value for Money (VFM) business case will be reviewed by an appropriately qualified external firm of consultants
3. The LEP/Accountable Body will feedback any concerns/shortfalls and request additional information if required.
4. Once the submission has been approved by the D2N2 and the Accountable Body, the Accountable Body will draft a report to the Investment Board and this report will be presented at the next available Investment Board. This report will include a synopsis of the application made for funding, an appraisal of the application, and view by legal expert (where appropriate), a final recommendation whether to fund the project or not including any conditions which would be set.
5. Promoters will be required to attend the Investment Board and present their business case.
6. The Investment Board will approve, reject, or request additional information.
7. Following approval from the Investment Board, the project will be put in front of the LEP Board for ratification and this will subsequently trigger any release of funding.
8. The Accountable Body will issue a grant offer agreement detailing all conditions and the timing of payments. The offer agreement will require promoters to sign up to the delivery of the project and the outputs, which will be subject to claw back.
9. The Accountable Body and LEP to monitor and carry out an audit processes on the delivery of the project and the outputs.

Investment decisions will be made for all funding applying statutory requirements, conditions of funding or local transport objectives where applicable.

All LEP Board and sub board members will make decisions on merit having considered all of the relevant information available at the time.

Pursuit of recovery of funds is at the discretion of the Investment Board based on the evidence presented to them if the project is not fully delivered in line with the original submission.

Value for Money

The LEP and the Accountable Body will need to assure themselves that projects are deliverable and represent 'High' value for money. It is the promoter's responsibility to provide sufficient independent evidence that the project delivers at least a 'High' value for money score in line with HM Treasury Green Book principles. The LEP and the Accountable Body will use appropriate external consultants to consider the VFM and make recommendations to the Investment Board and LEP board.

The evidence and information provided will vary from project to project due to the nature and priorities of the project.

Transport schemes, defined as those which are reliant upon 'transport' outcomes (such as time savings) to demonstrate value for money, are required to follow WebTAG guidance. For the avoidance of doubt, the provision of infrastructure such as a road which is intended to produce non-transport outcomes such as job creation may be assessed against these outcomes. However, where this infrastructure would also impact upon existing users of transport networks the LEP and AB may require WebTAG-compliant analysis to determine the degree to which these impacts affect the overall case for the project.

For projects which are regeneration or housing led, promoters will need to provide a clear statement of the objectives of the project and evidence that there is market demand for the scheme. This should be expressed as projected take-up but, must be supported by evidence that the market will take this up within the projected time. This evidence can comprise correspondence, notes of meetings and any independent assessment of demand or advice from specialist consultants

This will need to go beyond demonstrating a policy fit – for example, that the scheme will meet a D2N2 LIS/SEP objective or that the site is allocated within a Borough local plan. If updated or additional research needs to be undertaken to provide a robust evidence case, promoters should outline the scope/scale of this and any plans that are in place/timescales to acquire the necessary evidence, which would then be completed at the Final Business Case stage.

The LEP will be responsible for ensuring value for money for all projects and programmes. The Finance Officer at the Accountable Body will be responsible for scrutiny of and recommendations for each business case.

Part Delivery of the Project and Pre compliance Funding

We recognise that certain projects may be delivered in phases and that not all the requirements for the Final Business Case stage would be met at the time of when the project is commenced.

In exceptional circumstances and at the discretion of the LEP, the LEP will allow a detailed Business Case to be submitted in line with the above approval process for consideration to

request pre-compliance funding. The promoter is required to provide a detailed programme to support the project identifying the phases of delivery for the project and when the outstanding FBC Checklist requirements will be satisfied. This could be for example if some of the funding is to be provided by land sales or if the project is subject to multiple planning applications and where some of the applications will not be submitted until after commencement.

The promoter is required to identify the risks in the detailed business case for the delivery of the wider project and the potential outputs delivered at each stage if the additional approvals/funding is not forthcoming.

The project will be submitted to the Investment Board for approval and this will be subject to any future funding only being released once evidence of the outstanding requirements to satisfy the LAF are provided to the LEP and Accountable Body. Projects may also be asked to update the Investment Board on a timeframe agreed by the Investment Board.

It is also accepted that for some project's investment is required for developing them through to full compliance with the DBC and FBC of the LAF.

Projects which have been allocated funding and have passed the DBC of the LAF are able to seek acceleration of funding to enable the project to meet full compliance. Funding is for capital works (only related to the project) and can therefore only be used for purposes such as the purchase of assets or purchase of resources to enable full compliance.

The grant acceleration funding can only be sought if funding is available within the year of the request.

The funding will initially be by way of a grant and will be fully refundable (100%) including interest at a commercial rate if:

1. The project does not meet the FBC stage by October of the following year or to a date agreed with the LEP and AB.
2. If the project has changed significantly or is not approved by the Investment Board

The grant given may require some form of security for example, a charge on the land.

In order to request the grant acceleration funding the promoter will be required to provide a detailed proposal to the LEP and AB to demonstrate why the funding is required and identify significant progress is underway to mitigate any risks to the LEP. If accepted a report will be provided to the Investment Board where the promoter will be required to attend and present their case.

Risk

A risk register is maintained of all projects and this is updated on a regular basis and shared with the Investment Board and main board. The risks of each project are rated using a scoring matrix based on likelihood and impact that each risk presents. A set of mitigations is also included.

Based on the risk register and as part of the programme overview report, high risk projects are highlighted to the Investment Board. The named individual who is responsible for the identification and management of risk is the Head of Capital Programmes.

Where a project is seen as High Risk the LEP will write to the promoter on behalf of the Investment board setting out the risks and requesting a written response outlining how the risks will be mitigated. If the Investment Board are not satisfied with the response, then they can remove the project from the programme.

In the event that a project has, in the opinion of the Investment Board or the LEP Board, significantly changed (by 10% or more) from what was originally proposed (i.e.: spend profile, outputs and outcomes, or delivery) the LEP will write to the promoter requesting a written response detailing why the project has changed.

Following receipt of the response the Investment Board may decide to proceed with the amended project, may request that the project revert back to what was originally approved, release only part of the funding or delete the project from the programme.

If a project has not commenced within 3 months of the Investment Board meeting at which the project was approved, the project will be reported as a High-Risk project. In this instance the LEP will write to the promoter requesting a written response detailing why the project has been delayed. If the Investment Board are not satisfied with the response, they can remove the project from the programme.

The Investment Board will be provided with quarterly performance reports by the project monitoring officer. If it is reported that a project is delayed (commencement/completion/outputs/outcomes) by 3 months or more then the project will be reported as a High-Risk project. In this instance the LEP will write to the promoter requesting a written response detailing why the project was delayed.

If the Investment Board are not satisfied with the response, then they can request that the funds already paid are repaid to the LEP or decide not to release any future years funding.

Monitoring and Evaluation

The LEP will manage the programme and will report principally to the Investment Board who oversees the programme management for LGF.

Programme management will be through the monitoring process, the terms of this will be defined in each project's grant offer agreement. The agreement will determine the payment profile, the output and outcome profile and milestones.

Programme monitoring will be according to the milestones and outputs in the business case and reviewed on a quarterly basis based on the grant offer agreement.

The principles of programme management will be for D2N2 to manage the key programme risks, through proactive engagement with promoters and developing a system of regular reporting. A programme overview including high risk projects will be presented at every Investment Board meeting.

D2N2 has the right, in conjunction with the Accountable Body, to withhold funding if the project delivery expectations, defined at inception are not met within the agreed funding period.

Projects will be required to submit quarterly monitoring reports (financial, output and narrative) explaining their progress to spend and delivery targets and noting specific changes to the project and challenges in delivery. A variance of 10% or more on spend and delivery targets

will trigger a review by D2N2, and the Investment Board will write to the promoter requesting a written response detailing why the project has changed.

D2N2 reserves the right to recover or withhold all or part of the funding supplied for a project in these circumstances:

- The project is not delivered within agreed dates
- The project delivered differs from that specified
- The outcomes demonstrated through post-delivery evaluation fall short of those on which the value for money assessment and business case were based
- The outputs identified in the Business Case are not delivered.

Monitoring reports will be summarised for consideration on a quarterly basis at the Investment Board, using a RAG rating system. In line with good practice and to support effective and robust decision making, monitoring reports to the Board will typically summarise good progress and areas of good practice. The report will also highlight risks to the delivery of the programme.

If projects are highlighted as high risk due to poor output delivery, then the process as listed in Appendix 1 of the Terms of Reference will be applied. If the Investment Board considers it appropriate, promoters will be invited to the Investment Board to explain the slippage. The Investment Board will take local circumstances into account in taking decisions over whether funding should be withheld or recovered.

For its Capital Programmes, D2N2 is committed, as agreed with the Ministry of Housing, Communities and Local Government (MHCLG), to undertake an evaluation programme, the purpose of which is to aid learning, policy development and practice to improve the delivery of the LGF, or any grant or funding programme.

As part of its evaluation process all projects will be subject to the D2N2 Evaluation Framework. All projects at the time of signing the grant offer letter will complete the D2N2 Evaluation Framework and this will be used to collect and collate information to inform the evaluation of any D2N2 Capital Programmes. The Evaluation framework is a separate document to this, and the applicant will be responsible for the ongoing evaluation of their project to feed data in to D2N2.

All projects will be subject to a post-project completion report; this will ensure D2N2 follows best practice using recognised project and programme management techniques to ensure sound decisions have been made.

Each projects evaluation report will be defined by the outputs, outcomes, and interrelationships to the wider programme.

Scrutiny and Audit Arrangements

The LEP will utilise the Scrutiny and Audit committee arrangements within Derbyshire County Council. The LEP's audit report will be presented annually to the Investment Board.

In terms of the membership of the scrutiny committee this will also be extended to the chairs and/or members of the scrutiny committees across D2N2.

Version 8
October 2020

The Scrutiny Committee will review the annual performance of the LEP's governance and its funding streams. The LEP will also make an open offer to attend other Local Authority Scrutiny Committees in their area and attend when requested.

Appendix 1 – LEP Board Terms of Reference

D2N2 BOARD

23/09/2020

TERMS OF REFERENCE

Purpose of the Board

The Derby, Derbyshire, Nottingham, and Nottinghamshire Local Enterprise Partnership (D2N2 LEP) is a strategic partnership of the public and private sector which aims to deliver drive economic prosperity across its area.

The LEP aims to increase economic growth and productivity in the area by:

- Developing and approving an evidence-based economic Strategy that identifies local strengths and challenges, future opportunities and the action needed to boost productivity, earning power and competitiveness across their area.
- Identifying and developing investment opportunities; prioritising the award of local growth funding; and monitoring and evaluating the impacts of its activities to improve productivity across the local economy.
- Using its convening power, for example to co-ordinate responses to economic shocks; and bringing together partners from the private, public and third sectors
- Collaborating with a wide range of local partners to act as an informed and independent voice for their area.

Delegation and Decision Making

The LEP board will be responsible for approving the overall strategy for the LEP and for agreeing overall priorities for investment. The LEP Board will also ratify all decisions made by the Investment Board with regards to the Capital Programme. It may delegate decisions on its behalf to the Investment Board or other groups as it determines.

Memberships and appointments of Board Members

The LEP Board will have at least 15 members of the Board at any one time with a maximum of 20 members at one point in time. The board must be at least two thirds represented by Private sector board members and this can be inclusive of the Higher Education Further Education and Voluntary sector.

The board shall comprise of the following members:

- 12 Private Sector Board Members (Including the Higher Education, Further Education and Voluntary sectors and an SME Representative)
- Four Upper tier Authority Members
- One district authority member from Derbyshire authorities
- One district authority member from Nottinghamshire authorities

The LEP Board is required to have at least one third representation by female members by 2020 which will increase to at least half by 2023.

Public Sector Board Members

The members for the Upper Tier Local Authorities assume their position on The LEP Board as the leaders of their respective councils.

The District/ Borough representatives of The LEP Board will be nominated to their membership position by their respective colleagues in both Derbyshire and Nottinghamshire, and will be rotated every 2 years

Private Sector Board Members

All private sector board members will be selected as Board members through an open recruitment process, all vacancies will be widely advertised, including on the D2N2 website with clear job descriptions and personal specifications for the role.

A Nominations and Remunerations committee appointed by the LEP Board, led by the D2N2 LEP Chair will then oversee shortlisting and interviewing the potential candidates. The Terms of Reference for this Committee can be found in Appendix 3.

Terms of Private Sector Board Members

Higher Education Board Members will fulfil their role on the board for a maximum one of a two year term, this membership position will then be transferred to the next constituent Higher Education authority in the area on a rotational basis as agreed by the Higher Education authorities

Further Education (FE) members can be represented on the board for a two-year period and then will be rotated with a different FE representative as agreed by the Further Education authorities from across D2N2.

All remaining Private Sector Board Members shall serve terms of three years once appointed to the board, should a board member wish to extend this term they will reapply to serve a second term on the board. Each Private sector board member can serve a maximum of two terms on the board.

D2N2 is also committed to having a Small and Medium Enterprise Member on its board. The SME representative will be nominated by the board following any recruitment process should the previous SME representative leave post.

Appointment Process for Chair and Deputy Chair

The Chair of the D2N2 LEP will be appointed using an initial open invitation exercise which will be published through all LEP channels outlining the job description for the role as well as a person specification. Following the open advert, a Nominations and Remunerations Committee will shortlist the potential applicants and an interview process by the Nominations and Remunerations Committee will be held to select the Chair of the Board.

Following the nominations committee to appoint a new Chair of the Board, the Chair will then subsequently select a Deputy Chair from the private sector board members.

The Chair will select the member and then it is the decision of the remaining Board members to ratify this decision before the said member is elected as Deputy.

Role and Responsibilities of the Chair

The primary role of the Chair is to secure good governance by ensuring that the board is alert to its obligations. This means ensuring that the board is effective, and it gives the leadership required.

He/she will ensure that there is a balanced structure for the board and that it spends sufficient time on each of its key tasks to secure the partnerships success.

The Chair's role includes:

- Liaising with members and major stakeholders
- Upholding the highest standards of integrity and probity
- Control the board agenda ensuring the partnership is adhering to its strategic objectives
- Setting the style and tone of board discussions to promote effective decision-making and constructive debate
- By the driver of corporate division, planning the process of change within the partnership including succession planning in board appointments
- Promoting effective relationships and open communication both inside and outside the boardroom
- Ensure effective implementation of the board decisions
- Establish a close relationship of trust with the LEP Executive team
- Line manage the Chief Executive of the LEP
- Succession planning for the replacement Chair ensuring that there is appropriate training and sufficient overlap and handover to the new Chair.

Representation and Attendance

To make sure that attendance of the board is kept to the most senior level possible, only voting members of the board will be invited to take part at board meetings and vote on matters of the LEP Board.

Members of the LEP Board are the nominated representative and therefore no substitutions will be allowed at the meetings. It is at the discretion of the chair to allow any substitutions to the meeting.

At the discretion of The Chair other representatives may be invited to join in with the discussion, Officers in attendance at the meeting are able to attend but will be regarded as observers to the discussion and retain no voting rights

The Board will meet on a Bi-Monthly basis with a programme of meetings being set a year at a time. Agendas and papers for the meeting will be approved by the LEP Chair and Chief Executive prior to circulation by the Executive to the Board.

All papers and agendas will be distributed at least five working days prior to the meeting and will be made available to the public on the LEPs website five working days prior to the meeting.

All minutes of the meeting will be approved in draft form by the Chair of the Board following a meeting and distributed to Board Members and made available on the LEP website no later than ten working days after the meeting.

All minutes will remain in draft until the board formally ratifies them as an accurate record of the discussion at the following meeting.

Decision Making

Any attendee of the meeting who does not hold the right to vote on decisions can be asked to leave the room whilst the vote is taking place at the discretion of the Chair. In the event of no consensus being reached by the LEP Board a vote will be held and the decision will be made by majority. If no majority can be found on a decision, then the casting vote will be determined by the LEP Chair.

In the event that progress needs to be made on a decision where it does not align with the board timescales of bi-monthly meetings or new information is presented at the board which does not allow for an appropriate decision to be made then decisions can be made via written procedures. Any decision by written procedures is at the discretion of the LEP Chair and will only be used infrequently as a way of progressing urgent matters. The LEP Executive will disseminate the appropriate information needed to make a decision which will be presented in the same manner as it would at a Board meeting then following this a decision will be made board members electronically to either confirm or reject a decision within five working days.

Governance and Register of Interests

All Board members will be required to complete a declaration of interests form on an annual basis, this will be signed and refreshed yearly with the counter signature of the LEPs Accountable Body Section 151 officer authorising any declaration.

All Board members shall operate by the LEPs Code of Conduct which can be found on the LEPs website and shall govern themselves by the Seven Nolan Principles.

Appendix 2 – Investment Board Terms of Reference

D2N2 INVESTMENT BOARD

23/09/20

TERMS OF REFERENCE

PURPOSE

To oversee on behalf of the D2N2 LEP Board (“the LEP Board”) the management of all funding pots delegated to the LEP, including the Local Growth Fund, Growing Places Fund, Enterprise Zone Business Rates Uplift reallocation or any other relevant funding streams across the administrative areas of Derby, Derbyshire, Nottingham and Nottinghamshire.

The Investment Board is responsible for:

Recommending approval of investments from D2N2s various funding streams on behalf of the D2N2 LEP Board that will invest in projects and programmes that will contribute to the delivery of the objectives of the emerging Economic Growth and Recovery Strategy.

The Investment Board shall:

- Provide recommendations to the D2N2 LEP Board for:
 - individual scheme approval
 - Release of funding, including scrutiny of individual scheme business cases.
- Monitor progress of scheme delivery and spend.
- Oversee the overall delivery of all funding programmes ensuring financial and output targets are monitored
- Recommend to the LEP Board a programme to respond to changed circumstance (scheme slippage, scheme alteration, cost increases etc).

MEMBERSHIP

The membership of the board is as follows:

Voting members	Observers
<ul style="list-style-type: none">• Derby City Council• Derbyshire County Council• Nottingham City Council• Nottinghamshire County Council• Derbyshire district and borough councils (Two District members)• Nottinghamshire district and borough councils (Two District members)• 3 Private sector members of the Derby, Derbyshire, Nottingham, and Nottinghamshire Local Enterprise Partnership (Chair plus 2 other private sector representatives)• Social Inclusion representative (one member)	<ul style="list-style-type: none">• Highways England• Network Rail• Homes England• Department for Transport• Department for Business, Energy, and Industrial Strategy

Voting members	Observers
Principal Advisors to the Board (non-voting): D2N2 Chief Executive, Head of Capital Programmes, Accountable Body Manager and Section 151 officer	
Chair and Deputy Chair – The Board will be chaired by the D2N2 Chair, with the Deputy Chair from one of the local authority board members	

The Board, as set out above, comprises twelve voting members. The Board may co-opt additional members to represent other sectors; such co-opted members will not have voting rights. Conditions of appointment are:

- i. Local Authorities (upper tier/unitary): membership rests with the position which the member holds within the authority rather than with the individual, so councillors will be replaced if they change office. It is for each authority to determine which post holders are to act as its representatives.
- ii. District and Borough authorities within Derbyshire and Nottinghamshire: it is for the district and borough authorities to determine their own arrangements for selecting representatives, who are expected to sit for a minimum term of one year and a maximum of three years. It is also for the constituent authorities to determine how their joint interests should be represented and how those districts and boroughs not directly represented should be engaged in the decision-making process.
- iii. D2N2 LEP: representatives are expected to sit for a minimum term of one year and a maximum of three years.
- iv. Any co-opted member - would be reviewed annually by the Board with a maximum term of three years.
- v. Each member will be required to participate in decision-making in the best interests of the Board whether these are consistent with those of their own organisation.
- vi. No substitutes will be permitted for nominated board members as per the main D2N2 Board Member.

The Board will review its constitution after six meetings of the Board or every two years, whichever is the sooner.

Conflicts of Interest

Members of the Board are required to declare, on appointment, that they will act in the best interests of the LEP area, not for their organisational or geographic interests.

The rules for declaring personal interests will be those that apply to the council to which the councillor has been elected. A register of Board Members' interests will be maintained and will be available for public inspection and will be updated at the beginning of each financial year.

All Board members are expected to govern themselves by the Nolan Principles and these can be found within the Local Assurance Framework.

Accountable Body

Derbyshire County Council shall be the Accountable Body to the D2N2 LEP which will be responsible for the following:

- Ensuring that decisions are made in line with the LEP Assurance Framework.
- Ensuring that promoters confirm their projects conform with any requirements with regard to equalities, social value, environment, State Aid, procurement etc.
- Ensuring (through the Section 151 Officer) that the funds are used appropriately.
- Maintaining the official record of Investment Board proceedings and holding copies of all relevant documents relating to any funding streams the Accountable Body is responsible for.
- Ensuring Investment Board decisions at formal meetings are recorded.
- Responsibility for the decisions of the Investment Board in approving projects (for example if subject to challenge);
- Ensuring there are arrangements for local audit of funding allocated by the Investment Board at least equivalent to those in place for Local Authority expenditure.

The Director of Finance, Derbyshire County Council (S151 officer) will ensure that all funds are administered in accordance with the Assurance Framework.

Audit and Scrutiny

The Board undertakes to seek and to act upon the findings of an internal audit of its activity on at least an annual basis. The findings of each audit will be considered by a Board meeting, and any remedial action required recorded within the minutes of that meeting.

The aim of each audit will be to verify that the Board is operating effectively within the terms of its agreed Assurance Framework.

The effectiveness of the Board and its governance, delivery and monitoring processes will be overseen by the incumbent Accountable Bodies Scrutiny committee who will provide an independent review to ensure that the Investment Board works in line with the Local Assurance Framework.

Approvals process for project applications:

The Board has adopted an approvals process in respect of project applications as set out in the Local Assurance Framework

Support and Administration

Derbyshire County Council will provide support arrangements for secretariat and administrative services specified in its Service Level Agreement with the LEP. The Board has the authority to form task and finish groups when required, which may comprise Board members and/or supporting officers.

Working Arrangements, Transparency and Local Engagement

There will be at least four meetings each year and thereafter to meet the business needs

Specifically, the Board will meet to:

- (a) to determine the initial decision on the composition of the scheme programme.
- (b) To make individual scheme investment decisions.

The meetings will be chaired by the D2N2 Chair.

Meetings will be deemed quorate when a minimum of five voting members are in attendance. Each voting member carries a vote of equal weight. Where the voting members present are equally divided the chair will carry a casting vote. Where the elected chair is not present the Deputy-chair will exercise this function. No business requiring voting shall take place without either the chair or Deputy-chair being present.

The Investment Board will publish agendas and minutes. Materials will be hosted on the Derbyshire County Council website, but each member organisation will provide a direct link to this from its own.

It is for individual member organisations to ensure that any schemes submitted to the Board for funding have been subject to the appropriate procedures to provide the public and stakeholders with the opportunity for input before decisions are made. The Board will not take responsibility for dealing with correspondence, petitions, lobbying, consultation etc, all of which are to be handled by the promoter of the scheme in accordance with its own procedures.

FOI and EIR requests will be dealt with in accordance with the relevant legislation.

The Board will use Derbyshire County Council's complaints procedure.

Appendix 3 –Nominations and Remunerations Committee

D2N2 Nominations and Remunerations Committee

Terms of Reference

1. Duties

The key purpose of the Nominations and Remunerations Committee is to oversee Board Director and Senior LEP executive appointments.

For the purposes of appointing any Director and staff restructuring, the Directors shall appoint a committee from their membership and such committee shall be known as the “Remunerations and Nominations Committee”.

The committee shall comprise at least two Directors including the Chair and/or Deputy Chair and the following provisions shall apply:

- a) Only members of the Nominations and Remunerations Committee have the right to attend meetings. However, other individuals including in an advisory capacity may be invited to attend for all or part of any meeting, as and when appropriate and necessary.
- b) The Committee shall:
 - i. regularly review the structure, size and composition in accordance with the Board Terms of Reference (including the skills, knowledge, experience and diversity) of the Board Directors and Senior LEP Executives and make recommendations to the Directors with regard to any changes.
 - ii. give full consideration to succession planning for Directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the company, and the skills and expertise needed amongst the Directors in the future.
 - iii. keep under review the leadership needs of the organisation, with a view to ensuring the continued ability of the organisation to deliver to its strategy as outlined from time to time.
 - iv. Continuously review the staffing structure of the LEP Executive team and recommend any changes to this based on the strategic needs of the organisation.
 - v. be responsible for identifying and nominating for the approval of the Directors, candidates to fill vacancies as and when they arise.
 - vi. Before any appointment is made by the Directors, evaluate the balance of skills, knowledge, experience and diversity amongst the Directors, and, in the light of this evaluation prepare a description of the role and capabilities required for a particular appointment. In identifying suitable candidates, the Nominations Committee shall:
 1. Use open advertising or the services of external advisers to facilitate the search.

2. Consider candidates from a wide range of backgrounds.
 3. Consider candidates on merit and against objective criteria and with due regard for the benefits of diversity amongst the Directors, including gender, taking care that appointees have enough time available to devote to the position.
- vii. For the appointment of a Chair, Chief Executive, or similar position, the Nominations and Remunerations Committee should prepare a job specification, including the time commitment expected. A proposed Chair's other significant commitments should be disclosed to the Directors before appointment and any changes to the chairman's commitments should be reported to the Directors as they arise.
 - viii. prior to the appointment of a Director, the proposed appointee should be required to disclose any other business interests that may result in a conflict of interest.
 - ix. ensure that on appointment as a Director, such person receives a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.
 - x. reviews the results of the Directors performance evaluation process that relate to the composition and competencies of the board of Directors.
- c) The Nominations and Remunerations Committee shall also make recommendations to the Directors concerning:
- i. formulating plans for succession for Directors and in particular for the key roles of chair and chief executive (if any).
 - ii. suitable candidates for the role of private sector director's
 - iii. membership of any other committees as appropriate, in consultation with the chairs of the committees.
 - iv. the re-appointment of any Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the board of Directors in the light of the knowledge, skills and experience required;
 - v. any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of a Director as an employee of the company subject to the provisions of the law and their service contract; and
 - vi. the appointment of any Director to executive or other office.

2. Reporting Responsibilities

The Committee Chair shall report formally to the LEP Board on its proceedings after each meeting (or when appropriate) on all matters within its duties and responsibilities.

The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

3. Membership

The Committee shall be made up of at least two Directors. The Chair of the LEP Board shall Chair the Committee meetings or reserves the right to delegate this to another Director.

Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend for all or part of any meeting, as and when appropriate and necessary.

In the absence of the Committee Chair, the remaining Directors present shall elect one of themselves to chair the meeting.

4. Secretary

A member of the D2N2 Local Enterprise Partnership Team shall act as the secretary of the Committee.

5. Quorum

The quorum necessary for the transaction of business shall be two Directors. The required Directors meetings either in person or by telephone will constitute a quorum.

A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

6. Frequency of Meetings

The Committee shall meet at appropriate times during in the succession planning cycle of Directors and otherwise as required.

7. Notice of Meetings

Meetings of the Committee shall be arranged by the secretary of the Committee at the request of any of its members.

Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and other person required to attend, no later than 3 working days before the date of the meeting.

8. Minutes of the Meetings

The secretary shall minute the proceedings and resolutions of all Committee meetings, including recording the names of those present and in attendance.

The secretary shall ascertain, at the beginning of each meeting, the existence of any conflicts of interest and minute them accordingly.

Version 8
October 2020

Minutes of the Committee shall be circulated promptly to all members of the Committee

Appendix 4 – People and Skills Board Terms of Reference

D2N2 PEOPLE AND SKILLS ADVISORY BOARD TERMS OF REFERENCE

PURPOSE

To develop, implement and oversee the delivery the People and Skills element of the Strategic Economic Plan and to act as the Skills Advisory Panel for D2N2.

The Board will also lead the development of the People element of the Local Industrial Strategy for D2N2.

OBJECTIVES

- To enable the effective functioning of local labour markets by fulfilling the functions of the Skills Advisory Panel in D2N2.
- To co-ordinate and join up the between skills and training providers, labour supply and employer needs.
- To hold to account the provision of skills and employment to ensure that it is of high quality and supports the delivery of objectives within the Strategic Economic Plan.
- To ensure that the skills ecosystem in D2N2 meets the skills needs of local businesses, particularly in key sectors that are critical to the growth of the local economy.
- To ensure that D2N2 people have the skills, aspiration and opportunity to compete for jobs in the local labour market.
- To shape future policy development and priorities on issues related to skills, employment, and economic inclusion in D2N2.

ROLES AND RESPONSIBILITIES

Skills Advisory Panel Functions: (See Appendix I for full list of SAP functions)

1. Develop an implementation plan for People and Skills based on the thematic priorities identified in the D2N2 Strategic Economic Plan and for delivery of the People strand of Local Industrial Strategy.
2. Provide leadership on skills in the local area; engaging with employers and providers and providing skills advice to D2N2 Board.
3. Develop understanding of current and future local skills and labour market needs and influence the development of skills and employment support provision in the local area to meet that need.
4. Understand the wider dependencies in the local area and working together with other parts of the D2N2 LEP enable a cross-cutting approach to People and Skills.
5. Improve access to and availability of careers advisory services (National Careers Service and Careers and Enterprise Company) and careers resources to connect people to careers opportunities.

6. Raise the profile of apprenticeships with local employers and providers.
7. Share analysis and best practice, as widely and transparently as possible, with central government and other Skills Advisory Panels to learn from each other and tackle wider skills challenges.

Additional People and Skills Board Functions:

Strategic

8. Enable representation of all types of providers, employers (large and small) and other key local stakeholders, including local authorities and the Voluntary and Community Sector.
9. Bring together and co-ordinate partner plans within the context of the overall Strategic Economic Plan, and identify key shared priorities for D2N2.
10. Complete periodic reviews of the People and Skills priority to ensure that this remains fit for purpose, during the life of the Strategic Economic Plan.
11. Commission underpinning strategies, as and when necessary, to support the overall delivery of the People and Skills priority.
12. Identify emerging international and national policy, best practice, and thematic trends, and ensure that the D2N2 area actively responds to these.
13. Provide direction and support to the strategic work programmes of key delivery partners to ensure that best practice is shared and opportunities for collaboration between partners are explored.
14. Inform the development and implementation of priorities forming the People pillar of the Local Industrial Strategy

Investment

15. Advise on potential investment decisions for local skills and employment provision as well as overseeing implementation.
16. Identify further investment sources and develop proposals to access these.

Delivery

17. Monitor the delivery of D2N2 funded People and Skills priority projects and escalate any delivery issues to the D2N2 Investment Board.
18. Ensure that a strong pipeline of projects is in development and where necessary take action to stimulate these.
19. Ensure that the People and Skills priorities, outcomes and milestones within the SEP are delivered in line with expectations.

MEMBERSHIP

The membership of the Group will comprise no less than 8 (quorum) and no more than 18 comprising representation from the following:

- 4 Business representatives (Including 1 from the LEP Board and 1 from the Business Growth Hub Board)
- 1 representative EM Chamber of Commerce
- 4 representatives from upper tier local authorities
- Up to 4 representatives from District authorities
- 1 Social Inclusion representative
- 1 Schools representative
- 1 General FE representative
- 1 representative of Independent Training Providers
- 1 Higher Education representative/University
- 1 VCSE representative
- 1 representative from each of the following government departments, bodies, and national programmes (in line with the requirements for the SAP):
 - Department for Education / ESFA
 - Department for Work & Pensions / Job Centre Plus
 - National Careers Service local provider
 - Public Health England

The D2N2 officers will attend all meetings. Other sector specific or general business support organisations will also be invited to attend meetings in an advisory capacity as appropriate.

Membership will be held by named individuals – no substitutions or proxies

Membership will be by appointment through nominating bodies (where appropriate) or otherwise through open recruitment.

Public Sector Board Members

The members for the Upper Tier Local Authorities assume their position on The People & Skills Advisory Board as the appointed representatives of their respective councils.

The District/ Borough representatives will be nominated to their membership position by their respective colleagues in both Derbyshire and Nottinghamshire, and will be rotated every 2 years

Private Sector Board Members

Higher Education Board Members will fulfil their role on the People & Skills Advisory Board for a maximum two year term, this membership position will then be transferred to the next constituent Higher Education authority in the area on a rotational basis as agreed by the Higher Education authorities

Further Education (FE) members can be represented for a two-year period and then will be rotated with a different FE representative as agreed by the Further Education authorities from across D2N2.

All remaining Private Sector Board Members shall serve terms of three years once appointed to the board, should a board member wish to extend this term they will reapply to

serve a second term on the board. Each Private sector board member can serve a maximum of two terms on the board.

Appointment of Chair and Deputy Chair

The Chair of the People & Skills Advisory Board will be a member of the D2N2 Board. Appointment to the role of Chair will be decided by the D2N2 Chair. Appointment to the role of Deputy Chair will be decided by the Chair of the People & Skills Advisory Board.

MEETINGS

Meetings will take place on a bi-monthly basis, during the first six months of operation, dropping to quarterly thereafter. The Chair will determine whether these need to occur more or less frequently as business determines.

SUBGROUPS

The People & Skills Advisory Board will have 3 standing sub-groups to undertake detailed planning and oversight of priority themes:

- Careers and Young People
- Employment
- Skills for Growth

Arrangements for Chair, membership, and Terms of Reference of these groups to be agreed by the People & Skills Advisory Board. Each sub-group will produce regular reports to the Advisory Board.

In addition, the Chair can determine need for task and finish groups to be set up to oversee specific work streams in support of the role of the People & Skills Board.

A review of all sub-group arrangements will be undertaken every 12 months to ensure they remain operationally relevant.

ATTENDANCE POLICY

All members will be expected to attend meetings, other than in exceptional circumstances. Any member failing to attend for three consecutive meetings will be invited to consider their ongoing membership.

DELEGATED AUTHORITY

The People and Skills Board will have no delegated authority unless specifically agreed by the main D2N2 Board.

ACCOUNTABILITY

The People and Skills Board is directly accountable to the D2N2 Board. It will be chaired by a Member of the D2N2 Board as agreed by the D2N2 Chair.

A Deputy Chair will also be appointed by the Chair of the People and Skills Board to ensure continuity should the Chair not be available.

Annex I

Skills Advisory Panel Functions:

1. Develop an implementation plan for People and Skills based on the thematic priorities identified in the D2N2 Strategic Economic Plan.
2. Provide leadership on skills in the local area; engaging with employers and providers and providing skills advice to D2N2 Board.
3. Develop understanding of current and future local skills needs and local labour market as well as the present skills and employment support provision in the local area by:
 - a. developing a strategy and mechanism for a robust and authoritative evidence-based skills and labour market analysis which clearly identifies existing local skills and employment challenges, and identifies key areas of future needs
 - b. developing a sophisticated understanding of both the local labour market and skills provision in the local area, the extent to which labour mobility within, or into, a local economy can address skills needs, and the projected gaps between skills needs and skills provision
 - c. building knowledge of the range of both local, regional and national employment provision that exists or is planned.
 - d. presenting the analysis at board level and sharing it with wider employer and provider communities to ensure that their perspective on the local labour market and local employment and skills system is reflected in future prioritisation.
 - e. Providing analysis to inform the development and the implementation of the 'People' element of Local Industrial Strategies.
4. Develop a clear approach to addressing skills and employment challenges within the local area, including by looking ahead to likely skills priorities in the coming decade by:
 - a. building an understanding of the local area across a range of partners including employers (SME and larger employers from across the private and public sectors), all types of providers and other key partners (including the community & voluntary sector) to agree shared approaches to addressing the challenges the analysis has identified;
 - b. providing a 'feedback loop' for the continual development of the 'People' element of the D2N2 Local Industrial Strategy.
5. Understand the wider dependencies in the local area and working together with other parts of the D2N2 LEP to:
 - a. link them to the skills and employment analysis as well as strategic plans.

- b. ensure the 'People' element of the Local Industrial Strategy is integrated effectively with the wider work of D2N2.
6. Act as co-ordinator of local skills providers by:
 - a. fostering co-operation between providers in mix of provision.
 - b. actively working with a range of local providers (Further Education, Higher Education and independent) to plan for how the skills needs are to be met.
 - c. Encouraging local providers to reflect the Skills Advisory Panel analysis when planning for T Levels implementation and delivery, and for the Skills Advisory Panel analysis to inform the investments that are made in the provider base to prepare for T Levels roll-out.
7. Work closely with careers advisory services (National Careers Service and Careers and Enterprise Company) to ensure that potential learners are informed about potential career routes within a local area, and that all careers information and guidance is informed by up-to-date local labour market information. This will involve working with:
 - a. the Careers & Enterprise Company's Enterprise Advisor Network to ensure that the Skills Advisory Panel analysis is shared through the network and informs the activities they support locally.
 - b. The National Careers Service local contractor to ensure that Skills Advisory Panel analysis is embedded into advice and guidance given to adults.
8. Raise the profile of apprenticeships with local employers and providers.
9. Advise where skills and labour market resource should be directed to support local employers and residents, using its understanding of existing employment support provision in the local area and the needs of the local labour market.
10. Share analysis and best practice, as widely and transparently as possible, with central government and other Skills Advisory Panels to learn from each other and tackle wider skills challenges.

Appendix 5 – Business Growth and Innovation Board Terms of Reference

D2N2 BUSINESS GROWTH & INNOVATION ADVISORY BOARD TERMS OF REFERENCE

1. PURPOSE

D2N2 will have a world class innovation-led, highly productive economy with a global reputation for manufacturing excellence.

The Business Growth & Innovation Advisory Board (BG&IAB) will spearhead engagement with our business base, economic stakeholders and key sectors to ensure that businesses across D2N2 are supported to maximise their potential through boosting productivity, adopting innovation and exploiting trade and investment opportunities to drive growth.

The BG&IAB will be an advisory group to the D2N2 Board will consider and develop partnership strategies and proposals to deliver the Business Growth and Innovation priorities and propositions within the D2N2 Local Industrial Strategy/Recovery Plan. The Advisory Board will focus primarily (but not exclusively) on the following key themes:

- Enterprise/Business Support (KT1)
- Access to Finance/Business Investment (KT2)
- Innovation/R&D (KT3)
- Place Promotion and Inward Investment (including Visitor Economy) (KT4)
- International Trade (KT5)

D2N2 will retain a focus on key and emerging sectors, working closely with existing sector partners and organisations where possible with intervention led through the lens of the key themes.

1. OPERATING PRINCIPLES

The BG&IAB will operate according to the following guiding principles:

- focusing on where D2N2 can provide added value to the business growth and innovation agenda
- understanding and meeting the customer needs of our businesses and key sectors in supporting growth through improved productivity, developing new products and markets, and building resilience (in light of Covid-19 and EU Exit)
- ensuring engagement with our business base is coherent and communication is consistent
- develop programmes of activity to support agreed key theme areas
- Engage with other Advisory Boards to ensure complementarity in the delivery of priorities set by the D2N2 Board

Within this context, any intervention should be considered through the following lenses to maintain a sharp focus:

- Advocacy – using our partnership role to convene, lobby and shape policy and strategy
- Coordination – in our convening role, bring together partners to deliver joined up and more effective business support activity
- Commission – where required, deliver interventions to meet market gaps and the local needs of businesses and the economy (driven by evidence)

2. ROLES AND RESPONSIBILITIES

The Business Growth & Innovation Advisory Board will lead on:

1. Convening wider stakeholder engagement to ensure improved alignment of future business support delivery including developing new partnership structures to support key themes of focus and add value to sector development activity and COVID-19 recovery (KT1-5)
2. Providing a focus for local business growth and innovation priorities, opportunities and needs to influence national policy and maximise influence and investment (KT1-5)
3. Developing and supporting the overall aims and objectives of the D2N2 Growth Hub by:
 - providing advice on delivery to boost productivity and growth within the D2N2 SME base.
 - making strategic links between the Growth Hub and other organisations delivering support to businesses to improve the co-ordination of business support across D2N2.
 - capturing business intelligence on the needs of businesses to unlock productivity, to shape and enhance the provision of business support
 - overseeing the development of the Business Lifecycle model as a template to support businesses based on their stage of development and realistic growth ambition (KT1)
4. Promoting and enabling greater financial investment to support by improving access to finance and supporting businesses to be investment ready (KT2)
5. Developing the strengths and opportunities highlighted in the D2N2 Science and Innovation Audit and in particular the Innovation eco-system model focusing on:
 - SME adoption of innovative products and processes
 - Maximising the economic benefit of existing assets
 - Increasing innovation investment into the region
 - Future thinking and meeting the challenges of IR4 and the new normal following COVID-19
 - Inspiring innovative and entrepreneurial behaviours by pupils and students in our schools, colleges, and universities (KT3)
6. Coordinating partner activity to promote D2N2 nationally and globally as a place to invest, work, visit and live (KT4)
7. Ensuring D2N2 businesses are supported to meet the opportunities and challenges that emerge from international trade post-EU exit (KT5)

3. MEMBERSHIP

The membership of the Group will comprise no less than 8 (quorum) comprising representation from the following:

- 10 Business representatives (Including a minimum of 1 from the LEP Board and the Chair of the Growth Hub Executive Board)
- 5 Business Membership Organisations representatives (from EMC, IOD, FSB, CBI, and Make UK)
- Up to 6 Specialist Advisors (including an inclusion representative)
- 4 representatives from upper tier local authorities
- 2 representatives from district authorities (to represent D2 and N2)
- 3 University representatives (one each from UoN, NTU and UoD)
- 1 Further Education representative
- 1 representative from each of the following government departments/national bodies:
 - BEIS
 - DIT
 - Innovate UK
 - British Business Bank

Relevant D2N2 and Growth Hub offices will attend all meetings. Other sector specific or general business support organisations will also be invited to attend meetings in an advisory capacity as appropriate and agreed by the Chair. Representatives from Government departments attend in an advisory capacity only.

Membership will be held by named individuals with any substitutions agreed in advance with the Chair and Head of Business & Innovation.

Membership will be by appointment through nominating bodies (where appropriate) or otherwise through open recruitment. The Chair will reserve the right to review and propose amendments to membership if required.

4. MEETINGS

Meetings will be held quarterly, and dates will be planned for the calendar year ahead. Additional engagement may be requested of Members or their colleagues in working groups or events during the same period.

5. SUB-GROUPS

The Chair can determine if any sub-groups or task and finish groups need to be set up to oversee specific work relating to the agreed key themes in support of the role of the BG&IAB.

The Growth Hub Executive Board will formally feed into the BG&IAB and provide regular progress reports as a standing item on the agenda.

6. ATTENDANCE POLICY

All members will be expected to attend meetings, other than in exceptional circumstances. Any member failing to attend for two consecutive meetings without nominating an agreed substitute will be invited to consider their ongoing membership.

7. ACCOUNTABILITY

The BG&IAB is directly accountable to the D2N2 LEP Board. It will be chaired by a private sector representative of the D2N2 Board with lead responsibility for the Business Growth & Innovation agenda. The Chair will also appoint a Deputy Chair for continuity. The Deputy Chair will be nominated from one of the University representatives to maintain a focus on innovation.

Appendix 6 – Place Board Terms of Reference

D2N2 PLACE BOARD TERMS OF REFERENCE

PURPOSE

Supporting and enhancing the quality of place within D2N2 as a great location to live, work visit and invest is identified as a key priority within the Strategic Economic Plan and draft Local Industrial Strategy in order to deliver the vision for a more sustainable, productive, and inclusive economy. The Place Board will be an advisory group to the D2N2 board and will bring together strategies, implementation and investment proposals for the Place priorities within the draft Local Industrial Strategy. This includes the following areas of focus:

- Infrastructure and connectivity – including digital connectivity and sustainable transport
- Acceleration of housing delivery as part of wider place making.
- Shift to low carbon and sustainable living.
- The revitalisation of our Towns and Cities – through the development of transformational place priorities and supporting the Town Deal areas
- Overseeing the Enterprise Zones on behalf of the D2N2 Board.

This will build on and complement the work of existing local plans and strategies.

It will provide strategic direction to all Place related activity across D2N2 and continue to inform the development of the Place elements of the Local Industrial Strategy and Recovery Strategy for the region

ROLES AND RESPONSIBILITIES

The Place Board will:

Strategy

1. Develop implementation plans to deliver the Place elements of the Local Industrial Strategy.
2. Inform the Place element of the emerging Recovery Plan.
3. Bring together and co-ordinate local partner plans within the context of the overall vision for the region relating to Place and identify key shared priorities for D2N2.
4. Propose the commissioning of underpinning strategies, as and when necessary, to support the overall delivery of the Place priorities.
5. Provide support to the strategic work programmes of key delivery partners to ensure that best practice is shared and opportunities for collaboration between partners are explored.

Investment

6. Identify opportunities for further investment and develop proposals to further these.

Delivery

7. Provide oversight of the delivery of D2N2 funded Place activities and feed any key issues into the Investment Board.
8. Ensure that a strong pipeline of projects is in development and where necessary take action to stimulate these.

MEMBERSHIP

The membership of the Group is as follows:

- Chaired by the Deputy Chair of the D2N2 Board.
- Deputy Chair of the Place Group from one of the local authorities representatives.
- In recognition of the role of Local Authorities as place makers senior officer representation from the authorities as follows – 4 upper tiers, plus 2 Derbyshire, 2 Nottinghamshire districts (to be re-confirmed every 2 years by Districts)
- In addition to the Chair, 4 Business representatives from relevant sectors including Commercial/property and housing
- 2 Social Inclusion representatives
- 1 University representative
- Chairs of sub-groups

Homes England, Highways England, East Midlands Transport/Midlands Connect, Environment Agency and Network Rail will be issued with a standing invitation to attend the meetings.

The D2N2 Chief Executive and relevant LEP officers will also attend meetings in an advisory capacity.

MEETINGS

Meetings will be held three times a year to bring together the workstreams progressed by the Sub-groups as set out below. The Chair will determine whether these need to occur more or less frequently as business determines.

SUBGROUPS

The following sub-groups will undertake key elements of the work programme and report back into the Place board:

- D2N2 Energy Group: to oversee and lead the regions shift to low carbon energy
- D2N2 Infrastructure sub-group: consisting of the 4-transport authority leads and East Midlands Transport to co-ordinate a D2N2 wide approach on shared infrastructure challenges, including sustainable transport and identifying key regional infrastructure challenges and priorities
- D2N2 Towns Fund Group: to support the co-ordination of an effective approach to the 7 towns fund areas within D2N2

- D2N2 Place Priorities – a sub-group of the 4 upper tiers to develop and prioritise the top 10 transformational projects for the region
- D2N2 Housing Delivery Sub-group – a working group in conjunction with Homes England to identify and progress barriers to delivery and explore best practice on sustainable construction and MMC
- D2N2 Enterprise Zone – a working group to oversee progress across the D2N2 enterprise zones and best practice group to accelerate development across the sites.

The Chair can determine if any additional sub-groups or task and finish groups need to be set up to oversee specific work streams in support of the role of the Place Board.

A review of the sub-group arrangements will be undertaken every 6 months to ensure they remain operationally relevant.

ATTENDANCE POLICY

All members will be expected to attend meetings, other than in exceptional circumstances. Any member failing to attend for three consecutive meetings will be invited to consider their ongoing membership.

DELEGATED AUTHORITY

The Place Board will have no delegated authority.

ACCOUNTABILITY

The Place Board is directly accountable to the D2N2 Board. It will be chaired by the D2N2 Deputy Chair with lead responsibility for the Place agenda.

Appendix 7 – D2N2 Inclusion Framework

D2N2 Inclusion Framework

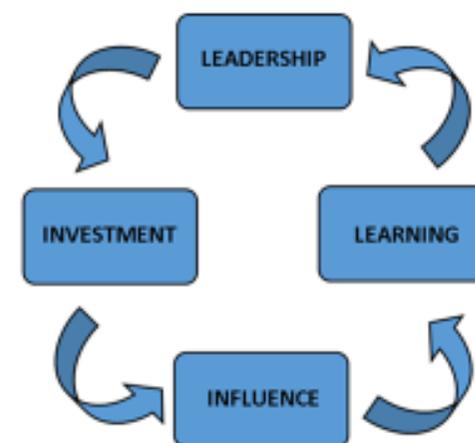
1. Inclusion in D2N2: Aim and Ambition

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

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

D2N2 will employ 4 core strategies:

LEADERSHIP	INVESTMENT
<ul style="list-style-type: none"> • Building understanding of 'good' and inclusive growth • Creating an inclusion 'narrative – normalising the conversation • Embedding inclusion across all strategic planning • Ensuring LEP governance and structure reflects local diversity and need • Focussing on improving Social Mobility 	<ul style="list-style-type: none"> • Taking action to ensure social value is achieved through all commissioning • Investing in activities which support pathways from exclusion to participation and through to inclusion; • Focussing on health, wellbeing, skills and aspiration as routes to inclusion • Holding projects accountable for their inclusion commitments
INFLUENCE	LEARNING
<ul style="list-style-type: none"> • Working with our stakeholders to create alignment, consistency and added value on inclusion outcomes; • Sharing learning to influence future systems planning; • Championing the inclusive growth agenda 	<ul style="list-style-type: none"> • Improving our understanding of the impact of exclusion in D2N2 • Apply co-production methods to enable learning from others • Developing measures of success to track progress • Monitoring performance • Reviewing our strategy as a result of performance



D2N2 Inclusion Strategy

2. Inclusion in D2N2: Enabling Action

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

	Business & Innovation	Infrastructure, Capital Investment & Place
	<ul style="list-style-type: none"> Broaden representation from a wide spectrum of business and business leaders; Build understanding of the business cost of exclusion; Enhance the capacity and knowledge of the Growth Hub to help drive inclusive growth; including promoting the growth of socially-focussed organisations and businesses; Provide tools, resources and specialist links to help businesses improve inclusion performance. 	<ul style="list-style-type: none"> Maximise D2N2s influencing and coordination role in places facing economic disadvantage to address spatial disparities; Refresh, promote and uphold the commitments of the D2N2 Procurement Charter; Maximise the LEPs commissioning power to drive improvements in infrastructure project impact and added value; Earlier strategic engagement on capital projects to enable development of related skills and employment activity; Where we have a role in housing delivery, work to deliver a more balanced housing portfolio
Success Indicators	<ul style="list-style-type: none"> Increased productivity Reduced sickness and absence levels in target sectors Reduced levels of Economic Inactivity Fewer unfilled vacancies and time taken to fill vacancies 	<ul style="list-style-type: none"> Number of capital projects using Social Value Act outcomes (project by project basis) Skills outcomes resulting from planned capital programmes Travel to work distances Employment / GDHI in deprived districts
	People & Skills	Leadership, Influence & Governance
	<ul style="list-style-type: none"> Better connect learning and work for those most disadvantaged in the labour market; Expand linkages between employers and schools / employability providers; Actively promote apprenticeships and local skills priority pathways for all; Expand and promote access to vocational training for adults; Enable delivery of activities to reduce the impact of poor health on work and productivity. 	<ul style="list-style-type: none"> Ensure Inclusive Growth is defined and prioritised within core LEP strategy; Embed inclusion champions across all levels of LEP governance; Ensure third sector representation at Board level; Make inclusion outcomes explicit and measurable across all delivery Develop a methodology for assessing inclusion impact to aid decision making and planning Seek and share learning and good practice
Success Indicators	<ul style="list-style-type: none"> Apprenticeship take-up – including to excluded groups GDHI in disadvantage areas / for disadvantaged groups Improved skills levels in disadvantaged areas / for disadvantaged groups Increased disability employment levels Reduction in ESA claimants 	<ul style="list-style-type: none"> Inclusion analysis incorporated in all strategic planning publications Consistent progress against agreed inclusion indicators

D2N2 SUSTAINABILITY FRAMEWORK

In order to achieve our ambitions for a low carbon recovery and long term sustainable growth in D2N2 and local economy we will employ the following strategies:

	Business & Innovation	Infrastructure, Capital Investment & Place
Outcomes	SD2, 3, 5, 6	SD7, 8, 9, 10, 11, 12, 13
Key actions	<ul style="list-style-type: none"> Identify new technologies and processes which we can turn from ideas into action; Identify transferrable best practice and develop networks to ensure that businesses and public sector investors are encouraged to adopt them; Continue to make the case to businesses, including through the Growth Hub, that low carbon growth has significant economic benefits to businesses; Identify the opportunities from the Covid-19 crisis to promote and embed innovative ways of working that have helped to reduce environmental impact. 	<ul style="list-style-type: none"> Maximise D2N2s influencing and coordination role to ensure the right balance of investment between physical, digital and green infrastructure. Work with the Environment Agency to develop a comprehensive picture of the value of the ecosystem services offered by our natural assets Develop a commissioning approach that gives due weight to the carbon footprint of proposed capital development alongside other economic impacts; Use our capital investments to ensure the full potential of our natural assets to deliver on our low carbon commitments are realized. Develop stronger links to the utilities to ensure closer alignment of their long term planning to our 2030 ambitions;
Progress indicators	<ul style="list-style-type: none"> Increased R&D investment in low carbon tech by sector Increased business adoption of low carbon tech by sector Increase in skills demand for low carbon occupations 	<ul style="list-style-type: none"> New low carbon commissioning and monitoring approaches in place Carbon footprint of D2N2 investments being monitored and reported
	People & Skills	Leadership, Influence & Governance
Outcomes	SD1	SD4
Key actions	<ul style="list-style-type: none"> Use the Enterprise Adviser Network, FE and HE to use the education system to raise awareness of the low carbon economy and job opportunities; Identify the low-carbon occupations in which we have significant opportunities for growth and need for re/upskilling and work with skills and training providers to ensure that local provision supports our growth ambition; Develop existing skills programmes to support workers affected by Covid-19 to re/upskill in low carbon skills. 	<ul style="list-style-type: none"> Ensure low carbon growth defined and prioritised within LEP recovery strategy so the focus is not lost as a result of Covid-19; Embed low carbon champions across all levels of LEP governance, and review the relationship between Place Board and Energy Strategy Group to ensure consistency; Work with our local planning authorities to enable a strong, collective approach to requiring a low carbon development first approach; Make low carbon outcomes explicit and measurable across all relevant delivery; Seek to influence successor funding to LGF and ESIF and DIT's approach to inward investment to ensure they prioritise low carbon investments.
Progress indicators	<ul style="list-style-type: none"> Increased take-up in low carbon subjects in A-Level and apprenticeships; Increased graduate retention in low-carbon subjects; Reduction in skill shortages reported by low carbon employers. 	<ul style="list-style-type: none"> Consistent progress on low carbon targets. D2N2-wide approach being captured in emerging local plans