

MINUTES of a meeting of the **D2N2 INFRASTRUCTURE AND INVESTMENT BOARD** held on 28 February 2019 at County Hall, Matlock.

PRESENT

Councillor B Lewis (Derbyshire County Council)

Councillors C A Hart (Erewash Borough Council), J Hollingsworth (Gedling Borough Council), T King (Derbyshire County Council), A Syrett (Bolsover District Council) S Webster (Nottingham City Council) and E Fagan (D2N2 LEP) & P Gadsby (D2N2 LEP).

Also in Attendance – M Ashworth (Derbyshire County Council), K Apps (Bolsover and NE Derbyshire District Councils), M Barnett (VLA East Midlands Ltd) S Birkinshaw (Erewash Borough Council), J Clifford (Nottingham College), C Cooper-Smith (Ashfield District Council), J Davies (Gedling Borough Council), T Goshawk (D2N2), M Lamb, (Newark & Sherwood District Council) D Pick, (Nottinghamshire County Council), M Phythian (Cities & Local Growth Unit), S Rose (D2N2 LEP), E Stewart (Highways England), D Swaine (Bolsover and NE Derbyshire District Councils), M Varley (Nottingham College), S Wainwright (Derbyshire County Council), J Whybrow (Nottingham College), and C Williams (Derby City Council).

Apologies for absence were submitted on behalf of Councillors W J Clarke, R Healy, C Poulter, and J Zadrozny, and C Henning, G Jennings & D Wright.

01/19 DECLARATIONS OF INTEREST There were no declarations of interest in this part of the meeting.

02/19 MINUTES RESOLVED to confirm the non-exempt Minutes of the meeting of the Board held on 20 December 2018.

03/19 D2N2 PROGRAMME PERFORMANCE UPDATE All the projects across the programme had been reviewed and risks associated with delivering the agreed financial and output targets identified. Annex A of the report detailed the projects deemed to be High Risk, Annex B provided an update on progress of all approved or pre-compliance projects and included a RAG rating, Annex C provided an update on projects still awaiting full business case approval, highlighting key risks and Annex D provided an update on the outputs delivered to date by approved projects.

The current programme forecast for 2018/19 was £51.1m against a target of £32.36m. The overspend took into account funding carried forward from previous years which currently stood at £42m.

Good progress is being made with this year's spend with £32m of funding being delivered to projects so far and the LEP was confident that this year's

allocation of funding would be not only spent but surpassed to utilise underspend from previous years.

As the financial year came to a close all projects were being engaged with to monitor their projected levels of spend up to the close of the financial year. D2N2 had had conversations with the project sponsors to gain certainty over final project spend in year and had subsequently brought forward project change requests to this meeting to alter profiles. Whilst this was taking place, the LEP were constantly engaging with project sponsors to see where projects could potentially accelerate spend from future years in to the 2018/19 financial year.

In terms of projects with an Amber risk for this meeting they were the following two projects:

- Vison Centre Mansfield due to output delays.
- A46 Rushcliffe Phase 3 due to delays in bringing forward phase 4 as a result of finalising S106 agreements,

Work continued with all the projects and the risks associated with delivery affecting the programme would continue to be monitored.

As the last two years of the LGF programme approached the programme was being reviewed to ensure that the projects that were yet to reach full approval remained on track to deliver within the timeframe.

Currently there were 10 projects out of a total of 52 projects that were still awaiting a full business case. Over the next few months it was expected to bring forward MTIF and Riverside Park to continue progressing the programme.

All remaining projects would be asked to come to the next IIB to provide an update and reassurance of their ability to meet the timescales required to deliver a full business case once each project is ready and then deliver before the end of the LGF programme in March 2021.

In terms of assessment of the impact of the programme, progress against outputs and milestones continued to be monitored but an impact evaluation was also being commissioned to assess progress to date and how lessons learnt were captured for future programmes such as the UK Shared Prosperity Fund.

A number of change requests had been detailed in the report and the Board was informed of the nature of the request and the D2N2 LEP's recommendation

Members made a number of comments and asked questions which were duly noted or answered.

RESOLVED (1) to note the progress on the D2N2 LGF programme; and

(2) to approve the D2N2 LEP's recommendations in relation to the change requests received from the promoters of the projects detailed in the report.

04/19 BUDGET UPDATE The current forecast showed that in 2018/19 the programme was overcommitted by £19.15m. This would be offset by the money being held by Derbyshire County Council to achieve a balanced budget.

Following the earlier approval by the Board of the change requests put forward, the programme would spend £45.5m with an overspend of £13m

The remaining balance held by DCC would then be returned to the programme in 2019/20.

The LEP and Accountable Body were currently reviewing the final two years grant profile to ensure a workable cash flow position.

The overall programme was currently showing an over commitment of £7.45m, which at the June 2017 IIB meeting was agreed to be funded by a £4m contribution from the Growing Places fund and the balances to be shared on an equitable basis by the 4 Upper Tier Authorities.

RESOLVED that the report be noted.

05/19 CITY HUB UPDATE Representatives from Nottingham College attended the meeting and provided an Update on the City Hub project.

The City Hub was a new, state-of-the-art hub for vocational training and enterprise. It was located in the City Centre (Broadmarsh area) and was due to open in September 2020. The total cost of the project was £58m (£30m LEP, £18m loan from NCC, £10m NC). This was not just seen as being a new College building but was a highly visible, flexible facility for learners, businesses, new starts and the community. It would focus on maximising employer engagement and equipping young people with skills required to enter employment.

The City Hub responded to identified needs and supported economic and inclusive growth; supported job creation and responded to changing skills needs. It also addressed the region's productivity gap.

A new Integrated FE & Skills Provision would allow businesses to access high quality accommodation and provide space for new starts. It would also overcome current challenges within the college estate and support the college's financial sustainability.

It would also provide a step change in skills delivery by providing higher levels of employment engagement ; greater choice of learning and career pathways; an increase in higher level skills provision; address the mismatch in skills supply and demand; provide planning for the future; would deliver the Southern Gateway and support transformation in Nottingham and beyond.

Details were provided of the project timeline, progress and cashflow and members were reassured that the project was within budget and operating to the programme timeline.

In relation previous risks, the below ground works were completed and planning issues relating to the external façade had been resolved.

The remaining current risks included the completion of the procurement of FFE & IT; inclement weather; and changes to design, though this would mainly be around any major changes to curriculum at the college, and this was within the college's control.

Details were given of how the Hub would fit into the Industrial Strategy, the D2N2 Strategic Economic Plan and working with Key Sectors.

Members were given an insight into the Hubs curriculum offer, and how the promise would be delivered and impacts measured.

An Industry Advisory Board (IAB) had been established, chaired by and consisting of employers. The Agenda was agreed by IAB focusing on key themes and a Work plan including milestones and targets would be set by the IAB.

Nottingham College had a Competency Framework to help students start thinking about what is needed to be employable; to begin using the same language as employers; and through its passport to employment scheme, have a way to provide evidence to employers that you have these skills, for applications and interviews.

Members made a number of comments and asked questions which were duly noted or answered.

RESOLVED to note the update on progress with the City Hub project.

06/19 **NORTH DERBYSHIRE MANUFACTURING ZONE** Members were provided with a presentation on the North Derbyshire Manufacturing Zone

The MHCLG / Midlands Engine had invited submissions for East Midlands Manufacturing Zone in summer 2018 with the goal being to unlock manufacturing growth by tackling planning restrictions, enabling land to be used more productively, providing certainty for business investment, and helping to boost local productivity and growth.

The total funding available was £500,000 and the original bid made was for £350,000. Funding of £220,000 was secured this being the highest allocation in the region. The remaining split was as follows: Melton Borough Council £75,000, Lincolnshire County Council £155,000, and Leicester City Council £50,000.

Bolsover District Council, North East Derbyshire District Council, Chesterfield Borough Council, Derbyshire County Council and D2N2 submitted its bid around: Coalite masterplan revision due to HS2 route; De-risking planning – Local Development Order across multiple sites in three areas; Mobility Strategy - improved connectivity to encourage investment and innovative travel solutions on key sites; and commercial development design guide – site specific and generic advice.

An explanation was given of the Local Development Order (LDO). An LDO granted planning permission for development specified in the order. It cannot cross LPA boundaries but there can be adjoining LDOs in other LPA. Consultation had to take place prescribed bodies and it had to be published, adopted by LPA. It would also accelerate delivery.

A Mobility Strategy would be developed which would improved connectivity to encourage investment and innovative travel solutions on key sites. This would set out a range of innovative mobility measures and solutions to complement established transport modes and help bring forward step-change in sustainable/inclusive travel patterns to deliver sustainable developments on the key sites in the MZ.

Going forward the £220,000 grant had to be spent by March 2020. The Zone's revised proposals were: De-risking planning / Local Development Orders; Commercial development design guide; Mobility Strategy; Project management and governance arrangements in place. A Project Control Board (PCB) would have an overview of the project with a Project Operation Group (POG) responsible for the day to day running of the project.

Feedback to Midlands Engine would be provided via 3 monitoring reports. Sops looking “forward to learning from some of the ideas you have around using an LDO and a design guide across multiple sites”.

Members made a number of comments and asked questions, which were duly noted or answered.

RESOLVED to note the update on The North Derbyshire Manufacturing Zone

07/19 MARKET TOWNS S Rose, D2N2 LEP, informed members of a very recent announcement by the Prime Minister relating to funding becoming available in the region of £1 -1.5bn focussing on supporting towns.

The funding would go through LEP's and would be from 2021 onwards. In light of little detail currently being available, a presentation would be made at a future meeting of the Board.

08/19 DATE OF NEXT MEETING The next meeting was scheduled for 21 March 2019 at 10:00 am at County Hall, Matlock.

The meeting originally scheduled for 18 April 2019 had been cancelled and a meeting added on 30 May 2019.

09/19 EXCLUSION OF THE PUBLIC RESOLVED that the public be excluded from the meeting during the consideration of the remaining items on the agenda to avoid the disclosure of the kind of exempt information detailed in the following summary of proceedings:

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC WERE EXCLUDED FROM THE MEETING

1. To consider the exempt report on High Risk Projects (contains information relating to the financial or business affairs of any particular person (including the Authority holding that information)).