

D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)

25th July 2016

Local Growth Fund (LGF) Budget and Project Monitoring

Budget Monitoring

Payments totally £3,693,000 were made during quarter 1 of 2016-17, which was in line the payment schedules for projects approved in 2015-16.

Based on current cashflow information and on the assumption that all projects listed are approved and funding is released, this leaves a cashflow underspend of £7.3m of which £3.78m is real underspend due to one of the projects coming underspent.

See appendix 1

Project Monitoring

- The **Chesterfield Higher Level Skills Centre** which was approved at the October 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	Commence installation of services. Lift etc and external works	Achieved

Expenditure £2,028,362.34 (Cumulative £4,265,377.63)

- The **Bioscience Expansion** which was approved at the June 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	Frame complete	On programme - SOS 05/10/2015 and due to COS 20/05/2016

Expenditure £3,149,379.24 (cumulative total £14,319,383.01)

- Nottingham Cycle City** which was approved at the October 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	Year Two construction starts Southern Cycle Corridor opens Western Cycle Corridor opens	Mostly achieved Please see narrative

23.7 km of segregated cycle corridor

3.8km of both on and off road cycle routes through Nottingham's Parks (strategic connections)

Year	Quarter	Forecast	Actual	Forecast	Actual
2016-17	Q1	13.2	7.8		0.25

The overall programme is progressing well. The outputs have had some reprofiling in terms of when they will be delivered within the year. We are on track to deliver outputs and spend.

The expansion of the Citycard Cycles facilities is well underway with additional cycle parking hubs being constructed. The scheme will also be updated and enhanced to provide electronic docking stations to make the service more accessible for both the business user and tourist market.

The Embankment will provide a significant element of the outputs for the Parks. This scheme is currently on site and progressing with no problems. It will be complete by September. Considerable local consultation took place. A key element of the scheme is to light a cycle route and this will be in place prior to the darker evenings.

The north - south route will start construction in September. This is a key element in the City Centre outputs. Sections of this route have been complete but we will claim the outputs once the full route has been constructed.

The Southern Corridor is open and being used by the public. Monitoring sites have been put in place.

The Western Cycle Corridor. This is nearing completion. The bulk of the construction work will be complete by the end of July. A full opening is expected in September. The LEP will be invited to be involved with this.

Summary report of significant issues

Description of issue (include date raised)	Severity of issue	Actions being taken and progress being made
Outputs lower than forecast.	Minor	All areas where the forecast has not been met the schemes are either on site or have a planned construction start date.
Spend	Minor	The spend for this quarter is lower than last. We are awaiting invoices from contractors and this will be covered in the next quarter claim.

Expenditure £621,560 (Cumulative £1,955,093)

- **Vision University** which was approved at the September IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	Internal walls complete on all floors. Floor screeded. Windows and cladding to all elevations underway with east and north elevation complete. 1st fix mechanical and electrical commenced.	Glazing installed to all elevations. 2 nd fix electrical and mechanical on target to commence 27 July. All contractors in place for completion of internal works including laboratory, kitchen, auditorium. MUGA construction commenced. External cladding to east elevation 90% complete. Cladding to all other elevations delayed and re-programmed for completion within contract period.

Expenditure £981,745.99 (Cumulative £2,880,445.86)

- **Derbyshire Broadband** which was approved at the August 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	Milestone M0 – Surveys and Detailed Design Completion	Our understanding is that this has continued as normal. Awaiting confirmation from BT, this will be received at the end of the quarter/ Q2 16-17. Able to confirm in next quarters return.

Expenditure £1,541,292 (Cumulative £11,147,892 excl BT)

- **Infinity Park, Derby** which was approved at the December 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1	T12 Phase 2 – planning application approved. Holmleigh Way – planning application submitted. Sustainable Transport Programme – works commence. Access Osmaston – works commence. Cuttle Brook – detailed design approved.	T12 (achieved 20 May) , Holmleigh Way (not achieved), Sustainable transport programme (achieved), Access Osmaston (achieved, design works only), Cuttle Brook (not achieved)

The IPD Sustainable Transport Programme has begun. We have met LEP Stage 2 criteria on several of the projects (checklists sent to D2N2)

Victory Road will start on site November 2016 rather than Q2 - this will not affect LGF spend, as we will prioritise this

T12 Phase 2 has planning permission and we are trying to bring the scheme forward through a procurement direct award

Holmeigh Way will be delayed as this will now require planning permission, the original intention was to do works under

permitted development

Description of issue (include date raised)	Severity of issue	Actions being taken and progress being made
Holmleigh Way to be done by developer under grant aid agreement and Section 278 Highways agreement	M	We are putting together agreements with the developer, planning permission will be required, which will delay the project

Expenditure £1,373,135 (Cumulative £5,781,526)

- **Derby Placemaking “The Spot”** which was approved by the LEP Board in January 2016 has no milestones this quarter but has reported they are ahead of programme, to specification and in budget.

Expenditure £352,995 (Cumulative £707,525)

- **Broadmarsh** which was approved at the December 2015 IIB did not have any milestones this quarter but the Southern Relief Route works are progressing well.

Expenditure £111,083.26 (Cumulative £729,325.26)

- **Our City Our River** which was approved at the January 2016 IIB has not returned the their milestones data for quarter 1 but has provided the following expenditure figures:

Expenditure for 15-16 £1,082,029 (Cumulative £6,705,174)

- **A57/A60 Worksop** which was approved at the November 2015 IIB has not returned the their milestones data for quarter 1 but has provided the following expenditure figures:

Expenditure £489,102 (Cumulative £752,761)

- **Nottingham Broadband** which was approved at the August 2015 IIB has not returned the their milestones data for quarter 1 but has provided the following expenditure figures:

Expenditure £0 (Cumulative £10,328,337)

- **Seymour Link** which was approved at the August 2015 IIB has returned the following monitoring data for quarter 1:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q1		First occupier - Bilstein Ferdinand - legal agreement completed and construction started. Construction contract awarded to Derbyshire company B&K for the construction of a 220,000 sq.ft building. Planning permission has been secured for a 480,000 sq.ft distribution facility on plot 13.

Redevelopment of 33 hectares of brownfield land

Year	Quarter	Forecast	Actual
2016-17	Q1	33 hectares released for development- on target	15.65

Expenditure £618,981.98 (Cumulative £3,728,869)

- **HS2 Toton Feasibility studies** which was approved at the February 2016 IIB has returned the following data for quarter 1:

Output	Progress Reported
1. Report into the feasibility of extending the Nottingham Express Transit system west of an East Midlands HS2 Hub Station to Long Eaton, south to East Midlands Airport and further west to Derby	- Findings presented HS2 strategic Board - Final report published and issued to D2N2 LEP chief officer
2. Contribution to the development of integrated Derby/Derbyshire and Nottingham/Nottinghamshire traffic/transport model suitable for HS2 Hub Station connectivity scheme assessment	- Early transport model development work identified - D2N2 Gateway Connectivity - Mass Transit Strategy feasibility study bid under preparation
3. Report into the initial feasibility of the potential for tram-train services to fill in gaps in provision to an HS2 East Midlands Hub Station at Toton, where heavy rail is not economically viable.	- Included in above

Expenditure £174, 644

The following project failed to submit a return within the deadline:

- **Newark Southern Link Road**

Appendix 2 shows a summary of the programme outputs

Appendix 1

SUMMARY BUDGET MONITORING QUARTER 1										
Monies received		Payments:	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Total Originally allocated	Total Project Allocation	Notes
11th April 2018	55,400,930.00	Seymour Link	125,000.00	125,000.00	125,000.00	125,000.00	500,000.00	500,000.00	2,520,000	
		Cycle City Nottingham	1,943,024.00				1,943,024.00	1,943,024.00	6,100,000	
		A57/A60	915,000.00				915,000.00	915,000.00	1,830,000	
Total	<u>55,400,930.00</u>	Newark Southern Link Rd				6,000,000.00	6,000,000.00	6,000,000.00	7,000,000	
		Broadmarsh	710,000.00				710,000.00	710,000.00	10,300,000	
		Our City Our River			2,500,000.00		2,500,000.00	2,500,000.00	12,000,000	
		Skills Hub				3,790,000.00	3,790,000.00	3,790,000.00	30,000,000	
		Infinity Park			4,000,000.00		4,000,000.00	4,000,000.00	12,995,000	
		Becketwell				2,850,000.00	2,850,000.00	2,850,000.00	6,400,000	
		Harworth Access		550,000.00		550,000.00	1,100,000.00	1,100,000.00	1,100,000	
		D2N2 Sustainable travel programme		600,000.00	600,000.00		1,800,000.00	1,800,000.00	5,800,000	
		A61 Corridor				500,000.00	500,000.00	500,000.00	12,800,000	
Programmed spend 16/17	49,208,024.00	EZ Sustainable Transport			2,000,000.00		2,000,000.00	3,000,000.00	6,000,000	
		Rolls Royce, Hucknall			250,000.00	250,000.00	500,000.00	500,000.00	1,000,000	
Under programme	<u>6,192,906.00</u>	Southern Growth Corridor			2,000,000.00		2,000,000.00	2,000,000.00	6,120,000	
EZ change of profile	1,000,000.00	A52 Wyvern		2,000,000.00	1,000,000.00	500,000.00	3,500,000.00	3,500,000.00	6,720,000	
Buxton change of profile/Drake -	1,500,000.00	A46 Corridor, Rushcliffe		1,800,000.00	200,000.00		2,000,000.00	2,000,000.00	6,250,000	
Drakelow (connected with abov	1,800,000.00	Drakelow				2,200,000.00	2,200,000.00	4,000,000.00	2,200,000	
Total Available	<u>7,492,906.00</u>	Midland Mainline				2,500,000.00	2,500,000.00	2,500,000.00	5,000,000	
less		Buxton Crescent		1,000,000.00	1,000,000.00	1,000,000.00	3,000,000.00	1,500,000.00	3,800,000	
Feasibility funds		Institute for Advanced Manufacturing		1,400,000.00	1,000,000.00	1,200,000.00	3,600,000.00	3,600,000.00	5,000,000	
LEP Management	200,000.00						-			
Available for acceleration	<u>7,292,906.00</u>	LEP Management				200,000.00	200,000.00			
		Payments made in Quarter 1	<u>3,693,024.00</u>				Total	<u>48,108,024.00</u>	<u>49,208,024.00</u>	<u>150,935,000.00</u>
							Difference	<u>- 7,292,906.00</u>		

Appendix 2

Programme Monitoring-July 16

Projects-Approved

Infinity Park
Derby Cycling and placemaking-The Spot
Our City Our River
Derbyshire Broadband
Seymour Link
Newark Southern Link Rd
Bioscience expansion
Nottingham Broadmarsh
Cycle City Nottingham
Nottinghamshire Broadband
A57/A60 Worksop
Chesterfield Centre for Higher Level Skills
Vision University Centre

2015-16						2016-17			2016-17 to 2032			Total		
Jobs		Homes		Learners		Jobs	Homes	Learners	Jobs	Homes	Learners	Jobs	Homes	Learners
Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
						228			4,272	382		4,500	382	-
									10.6			11	-	-
106	106	128	128			275	68		7,661	864		8,042	1,060	-
									3,000			3,000	-	-
						200			1,035			1,235	-	-
							650		3,118	2,600		3,118	3,250	-
									250			250	-	-
									11,770			11,770	-	-
												-	-	-
						388						388	-	-
						120			5,880	1,753		6,000	1,753	-
									45		1,049	45	-	1,049.00
											1,544	-	-	1,544.00
106	106	128	128	0	0				37,042	5,599	2,593	38,359	6,445	2,593

Projects-Yet to be approved

Harworth Access Road
Nottingham Skills Hub
D2N2 Sustainable transport
A61 Corridor
EZ Sustainable transport
Rolls Royce, Hucknall
Southern Growth Corridor
A61 Whittington Moor roundabout
Gedling Access Road
A52 Wyvern
A46 Corridor, Rushcliffe
Drakelow Park
Midland Mainline
Buxton Crescent
Institute of Advanced Manufacturing
Ashbourne Airfield

2015-16						2016-17			2016-17 to 2032			Total		
Jobs		Homes		Learners		Jobs	Homes	Learners	Jobs	Homes	Learners	Jobs	Homes	Learners
Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast			
									2,067	855		2,067	855	-
									450		1,426	450	-	1,426
												-	-	-
									6,390	4,850		6,390	4,850	-
												-	-	-
									2,000	900		2,000	900	-
												-	-	-
									Figures not known to date			Figures not known to date		-
										1,120		-	1,120	-
									3,300			3,300	-	-
									2,800	1,600		2,800	1,600	-
									1,385	2,239		1,385	2,239	-
												-	-	-
									140			140	-	-
									60			60	-	-
									400			400	-	-
-	-	-	-	-	-	-	-	-	18,992	11,564	1,426	18,992	11,564	1,426
106	106	128	128	-	-	-	-	-	56,034	17,163	4,019	57,351	18,009	4,019

Grand Total