

## **D2N2 INFRASTRUCTURE AND INVESTMENT BOARD (IIB)**

**27<sup>th</sup> January 2017**

### **Local Growth Fund (LGF) Budget and Project Monitoring**

#### **Budget Monitoring**

Payments totally £15,052,670 in grants were made during quarter 3 of 2016-17, which was in line the payment schedules for projects approved in 2015-16 and 2016-17.

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 £4.46466m of which £0.118254m is real underspend following the reallocation of funds to pipeline projects.

See appendix 1 and 2

#### **Project Monitoring**

- The **Chesterfield Higher Level Skills Centre** which was approved at the October 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	University of Derby FF&E Fit out and occupation	Achieved

Expenditure £814,433 (Cumulative £7,726,939)

- The **Bioscience Expansion** which was approved at the June 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3		Internal fit and external cladding 90% complete and on programme. External paving work commences

Expenditure £7,338,490.59 (cumulative total £27,659,456)

- Nottingham Cycle City** which was approved at the October 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Lenton area cycle improvements complete Bulwell area cycle improvement complete	In part - please see narrative

		1.9km of City Centre cycle route		3.65km of off road route alongside the River Leen		3.8km of both on and off road cycle routes through Nottingham's Parks (strategic connections)		4.65km of non and segregated on road cycle lane (Neighbourhood level)	
Year	Quarter	Forecast	Actual	Forecast	Actual	Forecast	Actual	Forecast	Actual
2016-17	Q3		1.2				1.3	1.25	

The promoter has provided the following update:

The overall programme is progressing well.
Construction has started on the Eastern Cycle Corridor.
The Western Corridor is substantially complete and is now shown in the outputs. The corridor is open to the public and proving popular with cyclists.
The City Centre north - south route is substantially complete and shows in the outputs.
Work to upgrade the Sneinton Greenway is shown in the Parks element of the outputs.
Modelling and design work is underway on the Northern Cycle Corridor (the final main corridor) further information on costs and timescales will be provided in the next update. Completion will be in 2017/18.
Additional funding has been secured for the Neighbourhoods element. Further updates will be provided once the scheme has been agreed internally.
Further funding has been secured to ensure delivery of the River Leen element. Timescales to be provided in the next update. Parts of the scheme have been implemented but the majority of the scheme will be undertaken in 2017/18 with the additional funding.

Expenditure £1,525,759 (Cumulative £7,501,942-the match funding element is now included)

- **Vision University** which was approved at the September 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Building Open and Fully Operational	Internal fit-out of building commenced 19 September 2016. Formal handover to college from contractors deferred to 12 October for operational / security arrangements with teaching planned to commence after half term on 31 October 2016 to allow staff time to familiarise themselves with new facilities. Building formally opened for teaching on 31 October 2016 with all milestones achieved.

Expenditure £1,035,180 (Cumulative £6,430,429)

- **Derbyshire Broadband** which was approved at the August 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q2	Milestone M1 – Network Build	Milestone achieved
	Q3	Milestone M0 – Surveys and Detailed Design Completion	Our understanding is that this has continued as normal and is on track. BT has 20 working days from end of Q3 to provide information which confirms Milestone has been achieved. Will be able to confirm in next quarters return.

**17,951 premises connected to fibre broadband by March 2018**

Year	Quarter	Forecast	Actual
2016-17	Q3	3,875	As above, this will be reported by BT 20 workings days from the end of Q3.

Expenditure £1,640,356 (Cumulative £13,240,075)

- **Infinity Park, Derby** which was approved at the December 2015 IIB has not returned a monitoring return for quarter 3 at the time of writing this report.
- **Derby Placemaking “The Spot”** which was approved by the LEP Board in January 2016 has now been completed.

Expenditure £141,139 (Cumulative £1,176,294)

- **Broadmarsh** which was approved at the December 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	London Road Enabling works	Programming changes mean will take place at the same time as the Maid Marian Way Grey Friar Gate works.
<p>i) Some slippage in design has meant the enabling works and Maid Marian Way construction has slipped as shown in the milestones. These works have been combined in terms of construction programming and are due to start at in Q1 2017/18</p> <p>ii) Slippage is anticipated for the completion of the Canal Street works due to some slippage in earlier stages of the programme. Confirmation of dates will be provided in the next return.</p> <p>ii) The outputs highlight 11,500m<sup>2</sup> of public realm improvements. This will take longer to achieve than the Q2 2017/18 as shown in the outputs. However this figure will be broken down into smaller sections with more detailed information highlighting when these will be achieved - ahead of the grand total.</p> <p>iii) Slippage will be managed as part of the wider programme and timescales.</p>			

Expenditure £84,769.48 (Cumulative £1,351,646)

- **Our City Our River** which was approved at the January 2016 IIB has not returned the milestones element of the monitoring return at the time of writing this report but is providing an update as a separate agenda item at this meeting.

Expenditure £2,131,157 (Cumulative £11,292,623)

- **A57/A60 Worksop** which was approved at the November 2015 IIB has not provided an quarter 3 monitoring return at the time of writing this report.
- **Nottingham Broadband** which was approved at the August 2015 IIB has returned the following milestones data for quarter 3 as BT reporting is one quarter behind:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q2	Second wave of network build commences	Achieved

Expenditure £666,957 (Cumulative £11,800,129)

- **Seymour Link** which was approved at the August 2015 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Works Complete First Building Complete	Road opened to the public in November 2016, with snagging and landscaping works to undertake over the coming weeks. The first building (Ferdinand Bilstein) is nearing completion, however part of the building has been handed over to the client in order for fit-out works to start.

The promoter has supplied the following update:

<p>Eurovia's programme of works was slightly delayed during the first half of 2016 due to several months of heavy rainfall. All works now completed, albeit slightly behind programme, with the exception of snagging and landscaping works. the road is open for public use. a two week slippage has been identified</p> <p>measures taken to bring the works back on target include additional labour resources and longer hours working over the weekends - agreed with the planners.</p> <p>Delays with completing legal agreements with private sector businesses has and will result in delays for the delivery of outputs (Job Numbers). The BILSTEIN Ferdinand building is now nearing completion and is already in the fit-out stage. 3 employees have been recruited but larger numbers will only be recruited during summer 2017. Legal agreements with great Bear for a second 480,000 sq.ft building on Plot 13 were completed during the quarter and construction started in early January 2017. Discussions are at an advanced stage with a third occupier (A planning application has been submitted) for Plot 16 and discussions are the detailed stage for a fourth occupier on part of Plot 15.</p>
--

Expenditure figures £1,285,527 (Cumulative £6,392,433)

- **HS2 Toton Feasibility studies** which was approved at the February 2016 IIB has no changes to the milestones achieved but has provided the following update on the current issues:

Description of issue (include date raised)	Severity of issue	Actions being taken and progress being made
Updating and merging of Nottingham and Derby Transport Models exceeds OJEU limit	Minor	Taking advice from Procurement Team on tendering options - now to be included as part of multi-modal study commissioning

Expenditure £0 (Cumulative £174,644)

- **HS2 Staveley** which was approved at the February 2016 IIB has provided the following project update below:

Output	Progress reported
1. Support the development of the masterplan to meet the requirements of HS2, to meet local planning objectives and to secure wider regeneration benefits for the area	Supported work by Chesterfield BC officers
2. Identification of highway and infrastructure requirements to facilitate the provision of the IMD and to meet the development needs of the area	Assessment made of impact on canal of Route Refinement proposals
3. In conjunction with the education sector, promote the case for a training facility to be developed as a satellite facility for the proposed HS2 College campuses at Birmingham and Doncaster	Contact established with Doncaster High Speed Rail college and HS2 skills team
4. To ensure the proposals protect and promote opportunities for the restoration of Chesterfield Canal and associated regeneration opportunities	Assessment made of impact on canal of Route Refinement proposals
5. To increase awareness of the opportunities presented by HS2 among the business community in North Eastern Derbyshire	Planning for briefing event 25 January in conjunction with Destination Chesterfield.

Description of issue (include date raised)	Severity of issue	Actions being taken and progress being made
Consultation (started Nov 2016) on route refinement proposals for HS2, including M18/Eastern Route for HS2 and revised footprint for Staveley Depot	Medium	Revised engineering drawings have been analysed and assessed. Some clarity has emerged, further detailed planning required.
Potential for provision of A619 Regeneration Route	Medium/Low	Revised depot footprint reduces impact on A619 Regeneration Route. Further detailed design will be needed.
HS2 consultation proposals include high speed services to serve Chesterfield, significantly increasing the economic impact of HS2 in the wider Chesterfield area. Scope of brief may need to be widened.	Medium	Terms of reference of HS2 Staveley Delivery Board has been widened to embrace new train service to Chesterfield.

There are some changes to project as explained below:

**Please give details of any changes**



1 - HS2 Ltd are now consulting on proposals for a spur to the Erewash Valley Line enabling 'classic compatible' trains to serve Chesterfield offering a 71 minute journey time to London. This has significant implications for economic growth in the wider Chesterfield/Staveley/north Derbyshire area. Proposals being developed with Chesterfield BC for growth strategy to take advantage of high speed services to Chesterfield.

Expenditure £5,613 (Cumulative £13,678)

- **Newark Southern Link Road** which was approved at the November 2015 IIB did not have any milestones or output targets this quarter:

Expenditure £2,540,895 (Cumulative £8,475,522)

- **Phase 1 of A46 Corridor** which was approved at the 29<sup>th</sup> September 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Start on site	achieved

Expenditure £302,485 (Cumulative £411,924)

- **Ada Lovelace House** which was approved at the October 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Completion of all pre-development preliminary works	Achieved

Expenditure £1,323

- The **Southern Growth Corridor** which was approved at the July 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016/17	Q3	Electric bus compound complete (phase 1). Enabling works on Daleside Road begins (phase 1)	Achieved

**Provide 13 operational single decker electric buses to operate Citylink services 1 and 2 and a charging point**

Year	Quarter	Forecast	Actual
2016-17	Q3	100%	<b>100%</b>

There is a slight change in the project as described below:

<p>ii) and iii) Following a client requested review of the Racecourse Roundabout (on Daleside Road - Phase 1), an alternative alignment has been produced which will provide an improved layout for all road users and improve the overall image of the scheme. In addition new areas of landscaping are to be provided to offset tree loss which has proven to be slightly more significant than first envisaged. These changes will increase the costs for the Phase 1 elements (yet to be determined) but are not currently considered to impact on delivery. The costs can be managed within the overall programme (taking into account the reduced bus lane schemes identified for Thane Road and Queens Drive - as highlighted in the Stage 2 submission).</p>
--

Expenditure £191,634 (Cumulative £642,138)

- **EZ Sustainable Transport** which was approved at the November 2016 IIB has returned the following monitoring data for quarter 2 and 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q2	Design work commences	Design work has commenced on all areas of the programme.
		Support of key stakeholders and land owners	City Highway schemes are designed and construction will commence in Q4 2016/17.
	Q3	Railway permissions for bridge lift booked	The scheme has the support of all key stakeholders and land owners.
			Bridge design to meet planning permission started. Planning application to be submitted Q4 2016/17.
2016-17	Q2		The County Council have undertaken concept design and costs. This will be progressed in Q1 2017/18.
	Q3	Planning permission for the bridge	Bridge design for the planning application - complete.
			Planning permission to be submitted end of January - discussions with planning indicate no



major issues.

Expenditure £66,963

- **The Institute for Advanced Manufacturing** which was approved at the 7<sup>th</sup> September 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Earthworks/Remediation and Piling complete	All construction on schedule

Expenditure £3,229,532

- **Harworth Access Road** which was approved at the June 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q2	Preliminary design and SU budgetary estimates confirmed. Detailed Design Commenced September 2016	Achieved Ongoing
	Q3	Detailed design completion October 2016 Advance site clearance October 2016 Utilities plant diversions November 2016	Completed Completed Dec 16 Due Jan/Feb 17

There may be a slight slippage in the construction programme due to a significant delay by Highways England in giving technical approval for the very minor works proposed on their network, and a delay to the completion of the accompanying Section 6 Agreement allowing NCC to work on the trunk road network.

Northern Powergrid have not confirmed yet when they are going to carry out their utility diversion works.

Highways England are going to fast track any approvals and the legal Agreement as they accept responsibility for the delay, hopefully thereby minimising any slippage to the works programme.

Any slippage is not expected to impact on the expenditure profiles.

Expenditure £179,418 (Cumulative £229,173)

- **Tudor Cross (former Coalite)** which was approved at the October 2016 IIB has returned the following monitoring data for quarter 3:

Year	Quarter	Key Milestones/deliverables from delivery plan scheduled to be achieved	Status (achieved or delayed)
2016-17	Q3	Planning permission granted. Work commences on site (Phase A)	Achieved and works started.

Expenditure £112,256

Other projects which have started on site recently but have no expenditure for quarter 3 are:

- Dakeyne Street
- Bulwell Market

Appendix 3 shows a summary of the programme outputs

Sarah Wainwright, Accountable Body, Derbyshire County Council

[illegible]

Appendix 2		2015/16	16/17	17/18	18/19	19/20	20/21					
		Annual	Annual	Annual	Annual	Annual	Annual	Total	Colour	£	Area	%
2015/16 starts												
Infinity Park, Derby		3.45	4	3.35	1.4	0.47	0.325	12.995		38.915	Derby City	20.39%
Bioscience Expansion, Nottingham		6.5						6.5		36.05	Nottingham City	18.89%
Nottingham Skills Hub			0.8	5.25	11.975	11.975		30		32.279	Nottingham County and Districts	16.91%
Nottingham Broadmarsh/Southern Gateway		6.79	0.71	2.8				10.3		39.272	Derbyshire County and Districts	20.58%
Newark Southern Link Road		1	6					7		44.333	Other-FE, HE, Midland Mainline, Medicity	23.23%
Chesterfield Centre for Higher Level Skills		3.4825						3.4825				
Vision University Centre, Mansfield		2.61						2.61		190.85	Total	100.00%
Harworth Access Road			1.1					1.1		0.7555	LEP Management	
Cycle City Ambition package in Nottingham		4.156976	1.94302					6.1		191.6		
The Spot		0.75						0.75				
Becketwell			3	1				4				
Remaining Derby City project				1.65				1.65				
Our City Our River, Derby		2	2.5	2.5	2.5	2.5		12				
Seymour Link		2.02	0.5					2.52				
A57/A60 Junction Workstop		0.915	0.915					1.83				
LEP Management & feasibility funds		0.555524	0.2					0.755524				
Broadbands-Derbyshire		2.19						2.19				
Broadbands-Nottinghamshire		2.63						2.63				
		39.05	21.668	16.55	15.875	14.945	0.325	108.41302				
2016/17 and beyond												
D2N2 Sustainable Travel programme			2.485	2.365	0.95			5.8				
A61 Corridor			0.5	4.8	2.5	3	2	12.8				
Enterprise zone sustainable transport package			0.7965	5.2035				6				
Southern Growth Corridor			2	4.12				6.12				
A61 Whittington Roundabout Chesterfield				3.24				3.24				
Gedling Access				5.4	5.4			10.8				
A52 Wyvern			3.5	3.22				6.72				
Coalite			5.7978					5.7978				
Medicity			0.74					0.74				
Ada Lovelace House			0.14395					0.143946				
Bulwell Market			0.1					0.1				
Dakeyne Street			0.18					0.18				
Foundry Park			0.45	3.174				3.624				
Sutton Indoor Market			0.375					0.375				
		0	17.0682	31.5225	8.85	3	2	62.440746				
Growth deal 2			16/17	17/18	18/19	19/20	20/21					
A46 Corridor, Rushcliffe			2	4.25				6.25				
Drakelow Park			2.2					2.2				
Midland Mainline, Market Harborough				2.5				2.5				
Buxton Crescent			3	0.8				3.8				
Institute for Advanced Manufacturing			5					5				
Ashbourne Airfield				1				1				
		0	12.2	8.55	0	0	0	20.75				
Total Commitments		39.05	50.9363	56.6225	24.725	17.945	2.325	191.60377				
Funding Figures from Government		39.05	55.4009	51.7145	20.4713	11.3415	9.74146	187.71964				
LGF3 estimate					3.999			3.999				
total funding		39.05	55.4009	51.7145	24.4703	11.3415	9.74146	191.71864				
(under)/over spend (£M)		0.00	(4.46)	4.91	0.25	6.60	(7.42)	(0.11)				
					Explained by	-1.22	general overspend/over programme					
						5.8	Removal of Rolls Royce from programme					
						2.5	Removal of Midland Mainline from 16/17					
						-6.9617	Pipeline projects					
						0.11825						

## Appendix 3

### Programme Monitoring-January 17

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  
 Harworth Access Road  
 EZ Sustainable transport  
 Buxton Crescent  
 Institute of Advanced Manufacturing  
 Southern Growth Corridor  
 A52 Wyvern  
 Coalite  
 Ada Lovelace House  
 Bulwell Market  
 Dakeyne Street  
 Medicity  
 Becketwell  
 A46 Corridor, Rushcliffe  
 D2N2 Sustainable transport  
 A61 Corridor

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
											1,544	-	-	1,544
									2,067	855		2,067	855	-
									-			-	-	-
									140			140	-	-
									60			60	-	-
									-			-	-	-
									3,300			3,300	-	-
									1,525	660.00		1,525	660	-
									9			9	-	-
									30.00			30	-	-
									7.50			8	-	-
									190.00			190	-	-
									142.00	99.00		142	99	-
									2,800	1,600		2,800	1,600	-
									-			-	-	-
									6,390	4,850		6,390	4,850	-
106	106	128	128	-	-	1,211	718	-	53,702	13,663	2,593	55,019	14,509	2,593

### Projects-Yet to be approved

Nottingham Skills Hub  
 A61 Whittington Moor roundabout  
 Gedling Access Road  
 Drakelow Park  
 Midland Mainline  
 Ashbourne Airfield  
 Derby Cycling and Placemaking

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
									450		1,426	450	-	1,426
									-			-	-	-
									1,120			-	1,120	-
									1,320	1,986		1,320	1,986	-
									-			-	-	-
									400			400	-	-
									35			-	-	-
-	-	-	-	-	-	-	-	-	2,205	3,106	1,426	2,170	3,106	1,426

Some of these jobs are construction  
 Figures not known to date  
 Jobs figures not known to date