

MINUTES of a meeting of the **D2N2 INFRASTRUCTURE AND INVESTMENT BOARD** held on 26 January 2018 at County Hall, Matlock.

PRESENT

Councillor B Lewis (Derbyshire County Council)

P Gadsby (D2N2 LEP), Councillor C Hart (Erewash Borough Council), Councillor T King (Derbyshire County Council), Councillor M Rawson (Derby City Council), P Richardson (D2N2 LEP), Councillor A Syrett (Bolsover District Council) and Councillor S Webster (Nottingham City Council).

Also in Attendance – D Alvery (Gedling Borough Council), M Ashworth (Derbyshire County Council), J Battye (Derbyshire County Council), S Birkinshaw (Erewash Borough Council), L Clare (Department for Transport), G George (Nottinghamshire County Council), T Goshawk (D2N2 LEP), C Henning (Nottingham City Council), E Hickman (Derbyshire County Council), J Homer (Cities and Local Growth), R Kaur (Highways England), S Rose (D2N2 LEP), D Swaine (Bolsover District Council/North East Derbyshire District Council), P Thomas (Ashfield District Council), V Wheelwright (Cities and Local Growth Unit).

Apologies for absence were submitted on behalf of Councillor R Banwait (Derby City Council), Councillor W J Clarke (Gedling Borough Council), Councillor J Collins (Nottingham City Council) and Councillor K Cutts (Nottinghamshire County Council).

1/18 DECLARATIONS OF INTEREST None recorded.

2/18 MINUTES RESOLVED to confirm the non-exempt Minutes of the meeting of the Board held on 21 December 2017.

3/18 PROJECT UPDATES AND HIGH RISK PROJECTS Update reports were presented to the Board on all projects.

Information was provided on the reasons why the following projects were at high risk, the mitigation and action required for IIB:-

- Nottingham City Hub – No action was required and the project was on track
- Gedling Access Road – No action required and the project was making good progress
- A61 Corridor and Whittington Moor Roundabout – No action required
- Vesuvius – No action required
- Newark Southern Link Road – Decision deferred at IIB in November 2017

It was noted that there had been a delay on the information for the Vesuvius project and this had impacted on the programme.

Project updates on the Local Growth Fund (LGF) original programme and LGF3 were also provided. The Board requested that the programme highlight report be prepared as a pro forma, with updates on the whole programme and it was agreed that this be discussed and delivered by the Officer Group.

It was reported that the Government's Bid panel would be meeting during February and the outcomes should be announced before the IIB meeting in March 2018.

It was noted that the bid for the £2.9m project at RAF Newton had been successful.

RESOLVED that the report be noted.

4/18 BUDGET UPDATE An update was presented to the Board. The underspend in year for 2017/18 was currently forecast to be £28m with an overall programme over commitment of £7.4m. The in year underspend was likely to increase by a further £4m once forecast updates were received from Derbyshire County Council for the A61/Whittington Roundabout and Ashbourne Airfield project.

The accountable body has two capital projects within its Economy, Transport and Environment portfolio which has expected capital expenditure of circa £16m which could be funded by the Local Growth Fund (LGF) with funding being returned when required.

Work was ongoing to ensure that the full amount of underspend in year was utilised, with a possibility to look to other Accountable Bodies to assist if required.

A project change request form has been introduced with immediate effect, which must be completed by any project wishing to make a change from its agreed final business case and/or grant agreement. It must include changes to cash flow with any change greater than 10% being subject to Board approval.

The Board requested that the reports on the high risk projects include financial information and the LGF projects include includes some narrative on their progress. It was felt that the underspend was indicative of performance and project management needed to be tightened up. All projects needed to be scrutinised as any slippage has an impact and all should be held to account. There should be an honest evaluation of all projects and the Board fully appraised in order that appropriate action could be taken.

RESOLVED that the report be noted.

5/18 SHERWOOD FOREST VISITOR CENTRE A presentation on the Sherwood Forest Visitor Centre was made to the Board. The promoter for this scheme was the RSPB in partnership with Nottinghamshire County Council.

The project was to deliver a new visitor centre at the internationally renowned Sherwood Forest to replace an existing old visitor centre built in the 1970s, alongside improvements to existing walking/cycle routes. There were 3 phases to the project and Local Growth Fund (LGF) was being sought to support Phase 2 - the construction of the new visitor centre in a location in line with obligations outlined by Natural England located outside the NNR and SSSI.

The majority of the £6,863,285 project funding had been secured, with a shortfall of £521,285 of which £500,000 has been requested from the LGF. RSPB has set out a funding strategy for securing the balance of funding. The Visitor Centre had full planning consent and a main local contractor had been procured for phases 1 and 2. The business case had been forwarded to Regeneris for assessment and it was reported at the meeting that the Value for Money report had been received from and contained a positive response.

The Board asked a number of questions on attracting visitors nationally and internationally to the new centre and the long term outcomes. It was noted that contact had been made with Visit Nottingham and they were looking to work with the Universities, District and County Councils in the area.

RESOLVED that the Board approves the release of the funds for the project.

6/18 N2 TOWNS PROGRAMME A presentation on the N2 Towns Programme was made to the Board.

The “Unlocking Growth in N2 Town Centres” Programme would deliver a set of physical improvements within key town and local centres across Nottinghamshire, designed to stimulate economic growth. It comprised seven individual projects as opposed to one project. The programme promoter was Nottinghamshire County Council who would take overall responsibility for the programme and work to bring forward a business case for each individual project ensuring they were all fully compliant with the Local Assurance Framework. Each of the projects were currently being progressed into individual final submissions. A number were seeking early spend, facilitated from the 2017/18 financial year.

N2TC Programme aimed to address a number of inter-related issues which generally manifest in town centres across the area, including changing shopping habits, vacant premises, balance of uses, planned growth, accessibility and appearance.

The N2TC Programme approach offered significant flexibility in delivery, and further projects existed in the pipeline with a potential to be able to spend £10.7M of LGF resources. The total programme cost was £20,025,737 with an LGF total allocation of £7,625,000. The figures and confirmation of match funding would be subject to checks and balances via the Final Business Case submissions made to the County Council and will be facilitated in line with the LAF process with the support of a commissioned external consultancy and the results will be made available to the LEP through regular monitoring.

Each project within the programme would undergo a separate business case review in line with the Local Assurance Framework. The LEP would work with the applicant to ensure consistency and compliance with the Local Assurance Framework (LAF) and would monitor and report progress back to the IIB. The programme, as yet, was not compliant with the LAF.

The Board discussed and considered in detail the diversity of the programme, the social fabric issues in the whole D2N2 area, the support and assist required to ensure a progressive project to encourage other projects and the setting up of an officer group to scrutinise and progress the programme.

It was confirmed that the projects in the programme had been through a vigorous local assessment involving local communities and any assistance from LEP colleagues would be welcomed by the programme officers.

RESOLVED that the Board approve the request subject to (1) a senior officer group being set up to scrutinise and report on progress to include a representative of the Accountable Body; and

(2) each individual project with a completed business plan to be discussed by the Officer Group with Project Leaders being requested to attend the appropriate Board meeting.

7/18 PRE-COMPLIANCE FUNDING REQUEST : MEDICAL TECHNOLOGIES INNOVATION FACILITY (MTIF) It was reported that a letter had been received from Nottingham Trent University (NTU) formally requesting advanced funding under a pre-compliance arrangement to cover capital investment-related costs incurred to date on the Clifton phase of the Medical Technologies Innovation Facility (MTIF) project. A presentation was made to the Board on this request.

Nottingham Trent University (NTU), as the lead partner on the project, has incurred significant costs to date in preparation of both the capital elements (where a contribution was sought from D2N2 LEP) and the operational elements that NTU was funding directly.

The MTIF facility would provide a state-of-the-art purpose built resource for connecting industry and academia in order to accelerate the product development and commercialisation of medical devices and technologies. The centre would benefit the many D2N2 based companies operating in the med-tech sector.

The total capital project value was £22.9m and the total value of pre-compliance funding requested was £456,136.92

RESOLVED that the Board approve the request for £456,136.92 pre-compliance funding.

9/18 INFRASTRUCTURE PLAN A detailed report would be made at the next meeting.

10/18 DATE OF NEXT MEETING The next meeting would take place on Friday 29 March 2018 at 10:00 am at County Hall, Matlock.