THE D2N2 LOCAL ENTERPRISE PARTNERSHIP

IMPLEMENTATION PLAN



D2N2

Derby
Derbyshire
Nottingham
Nottinghamshire

TABLE OF CONTENTS

EXECUTIVE SUMMARY **3**

1 INTRODUCTION **12**

2 MAXIMISING THE RETURNS TO LGF IN D2N2 ..... **17**

3 HEADLINE FINANCIAL PROPOSALS **22**

4 STRATEGIC THEME: BUSINESS SUPPORT AND ACCESS TO FINANCE **26**

5 STRATEGIC THEME: INNOVATION **38**

6 STRATEGIC THEME: EMPLOYMENT AND SKILLS **55**

7 STRATEGIC THEME: INFRASTRUCTURE FOR ECONOMIC GROWTH **73**

8 STRATEGIC THEME: HOUSING AND REGENERATION **93**

APPENDIX 1A – FINANCIAL INFORMATION FOR ALL LGF-FUNDED 2015/16 SCHEMES (BIS TABLE) 100

APPENDIX 1B – FULL LIST OF POTENTIAL LGF-FUNDED SCHEMES 2015/6 AND 2016/17 ..... **107**

APPENDIX 2 – APPRAISAL AND PRIORITISATION PROCESSES **120**

ANNEX 1 – BUSINESS CASES FOR ECONOMIC INFRASTRUCTURE HEADLINE PROJECTS – SEE SEPARATE DOCUMENT

ANNEX 2 – BUSINESS CASES FOR SKILLS CAPITAL AND BUSINESS GROWTH – SEE SEPARATE DOCUMENT

EXECUTIVE SUMMARY

Why D2N2 Matters

By 2023 we will:

- Deliver 55,000 new jobs in the private sector
- Accelerate delivery of 77,000 new homes
- Deliver a step change in skills outcomes
- Increase our business base
- Share the benefits of growth across our communities

D2N2 is the UK's fifth largest LEP and has the ambition to match. We have put in place the rationale, team and priorities to deliver growth effectively.

D2N2 remains a dynamic and diverse economy with enduring excellence in cutting-edge manufacturing and engineering, particularly transport, life sciences, and construction. Building our industrial strength and creating sustainable private sector jobs is our focus.

D2N2 combines the best of vital urban conurbations including the Core City of Nottingham and Key City of Derby, with important sub-regional centres such as Mansfield and Ashfield and Chesterfield, attractive market towns and productive and diversified rural economies, within a high quality natural environment which enhances the quality of life for our residents as well as being a key economic asset.

A world class offer

We have excellent universities and innovative companies large and small. These include world class large firms such as Alliance Boots, EoN, Speedo and the 'planes, trains and automobiles trinity' of Rolls Royce and Bombardier and Toyota.

D2N2 however is predominantly an SME economy with crucial small and medium size businesses that underpin many local economies such as Chinook and Sygnature Discovery in Nottingham, Progress Rail in Derby, Swizzels Matlow and Peakdale Molecular in the Peak District, Timico in Newark, Inspirepac in Chesterfield, Wilkinsons in Worksop, Romo in Ashfield and Laing O'Rourke in Bolsover.

Our ambition is to grow the economic impacts of these businesses and their supply chains and secure transformational projects like 'BioCity' and Infinity Park.

In D2N2, we create, we make and we connect.

Connectivity

At the very heart of the UK, with improving transport and digital connectivity, we have real export strengths and make a significant contribution to the UK's export earnings. Building on our skilled workforce, innovative capacity, high-quality locations and vibrant urban and rural environment, D2N2 is the competitive location for business investment and has the potential to increase its rate of economic growth and make a significant contribution to achieving the Government's ambitions for creating a more balanced and sustainable UK economy.

Local people know their places best and we recognise the Government's commitment to localism and devolution. We will therefore devolve funding or collaborate with others to pursue actions at whatever level can most effectively drive our shared ambition for growth.

Why should you invest in D2N2?

We aspire to be the UK's Most Inspirational Postcode but both our SEP and Growth Deal are about delivery. Accelerating growth across the whole D2N2 area by setting an ambitious strategy, we have focused on achieving a small number of important priorities that will make a significant strategic difference to the economy and wouldn't happen, or happen as fast, without our intervention.

D2N2 has six key competitive advantages:

- Connectivity – 90% of the UK is within 4 hours drive
- World class advanced manufacturing companies – including Rolls Royce, Boots, Toyota, Bombardier, Nestle amongst many others
- Key economic drivers – a core city with a City Deal, a key city, two other major conurbations (Chesterfield and Ashfield and Mansfield)
- Innovation – leveraging universities and our excellence in R&D
- A commitment to deliver growth (but a challenge to secure viability)
- A high quality natural environment and iconic landscapes that make D2N2 a great place to live, work and invest

Our Track Record

Led by our private sector Chair Peter Richardson and Chief Executive David Ralph, D2N2 LEP has worked rapidly and established a track record in bringing partners together to make a real difference in delivery.

We have already established:

- A detailed and independent evidence base – 'the State of the Economy' reviewed annually and supported by a balanced scorecard performance management framework
- A six year project pipeline of key infrastructure packages including broadband and transport from which we have drawn our headline asks
- An innovation programme bringing together key employers with our three universities
- A Skills Plan, endorsed by the Secretary of State to achieve employer-led skills delivery
- A growth hub providing a single front door for business – www.businessadvicewebsite.com in partnership with the Chamber of Commerce, CI, IOD, FSB and local business support organisations
- Sector development plans including the publication of our Low Carbon Action Plan
- Localism in action
    - Establishment of local government joint committees to drive and join-up economic growth across D2 and N2 respectively and commitment to review the opportunities for embedding further governance frameworks
    - Developing a growth plan for the Peak District with Business Peak District and Peak District National Park
    - a social inclusion framework in partnership with our VCS.
    - Scoping with local MP an outer estates programme in North Nottingham
    - A partnership with Toyota to help deliver the Local Nature Partnership
    - A draft Growth Deal identifying key freedoms and flexibilities
- The Nottingham Enterprise Zone, Growing Places Fund programme and Unlocking Investment for Growth RGF programme
- An ESIF programme to provide further fuel to deliver the Strategic Economic Plan and directly complement the Local Growth Fund
- A communications plan in partnership with local media and other key agencies to highlight LEP transparency and accountability
- An implementation plan that will bring together the 'single pot' of EU, national and local funding

together with our key freedoms and flexibilities into a clear and manageable delivery plan with business cases for our headline projects

Our Strategic Economic Plan has five key themes

- business support and access to finance
- innovation
- employment and skills
- economic infrastructure
- housing and regeneration

Our SEP and Implementation Plan provides a coherent, evidenced and appraised programme of investment including the key economic infrastructure that will be developed with our partners over the next few years. All our interventions are important but the 'headline schemes' provide the most deliverable and transformational interventions in 2015/16.

The D2N2 SEP will deliver a transformative economic impact, accelerating private sector employment and the supply of new homes, raising skills, increasing our business base and ensuring that the benefits of growth are shared across communities.

The Implementation Plan provides more detail on our specific Local Growth Fund asks including detailed business cases within our priority actions for our headline schemes and includes the integration of all funding within the 'single pot'. Appendix 1 sets out the broad rationale and a long list of projects forming a baseline pipeline which will be further refined to develop future priorities.

Prioritisation and the Local Growth Fund

In order to drive forward delivery of the SEP, the D2N2 Board targets four key areas;

- Innovation-Led Economic Growth: Leveraging our key OEMs and their Supply Chains
- Accelerating Commercial and Residential Development
- A D2N2 Skills Deal
- HS2 and East Midlands Connectivity

In the SEP we have identified Priority Actions in each of these areas, some of which require support from the Local Growth Fund. Our headline schemes in each area with 2015/16 starts are detailed below.

1. Innovation-Led Economic Growth: Leveraging our key OEMs and their Supply Chains

Headline Local Growth Fund asks for 2015/16 include

Creative Quarter

As the flagship Nottingham City Deal project, the Creative Quarter supports D2N2's priority sectors of creative industries and life sciences. This programme involves the expansion of Biocity, the provision of workspace to expand premises for new business, together with the refurbishment and upgrading of vacant properties**.** In conjunction with removing barriers to developing the Island Site these initiatives will create a dynamic environment where new and existing innovative business will prosper. The Creative Quarter is already starting to flourish as a creative industries cluster, this will enable it to realise its full potential.

Outputs: 7103 Jobs 3350 dwellings

Nottingham Enterprise Zone

D2N2's priority project, supported by central government, the development of the four sites within the Enterprise Zone

is vital to support technology-intensive companies that will define D2N2's international reputation. This programme will help open up access to the sites for employment and housing use, including improved pedestrian routes, upgraded canal bridge, cycle links, cycling facilities, bus and green infrastructure.

Outputs: 6871 Jobs 365 dwellings

Infinity Park

Infinity Park Derby will exemplify Derby's future thinking and global influence within the advanced engineering sectors, including the automotive, rail and aerospace industries and their supply chain. This priority project delivers flood alleviation, highway access and other infrastructure works to accelerate delivery and open up Phase 2 of the Innovation Hub to provide world class innovation employment space, ICT, business and technology support.

Outputs: 2750 jobs

D2N2 Business Growth Fund

The Business Growth Fund will build on the success of existing RGF-funded activity in D2N2 which is due to conclude shortly, using proven mechanisms to ensure successful investments and excellent value for money. The Business Growth Fund will be a flexible fund, linked to the Growth Hub, that will offer incentives to support SMEs and inward investors, particularly in our priority sectors, to make capital investments to accelerate growth, create sustainable employment and enable innovation to enhance competitiveness. We will also sustain visitor economy marketing campaigns linked to our identified key attractor assets to promote increased visitor spend and employment growth within the visitor economy.

Outputs: 400 Jobs

Priority Actions;

- Developing a D2N2 Growth Hub by July 2014 – with physical presence in Nottingham to provide businesses with the support they need to start-up, grow and take advantage of enhanced digital connectivity
- A portfolio of access to finance solutions, ensuring our businesses can access the financial support they need to grow
- Support for key Growth Sectors through investment in infrastructure, technology and sector Growth Hubs, set out in our sector development plans and funded through a range of sources, including our Business Growth Fund
- Support for companies within growth sectors to grow and innovate
    - A network of advanced innovation and incubation facilities: - A University Enterprise Zone; Innovation Centre at Infinity Park, and new development at BioCity and MediCity
    - Innovation and growth programmes, including networks and access to finance, building on successful schemes like Growth 100, Next Business Generation, Derby Enterprise Growth Fund and the Creative Quarter in Nottingham, and helping to support research and development
- Supporting skills for innovation including the Institute of Sustainable Engineering, rail training centre and getting graduates into existing businesses and starting their own enterprises
- Support for international trade and investment links through our delivery partners

2. Accelerating Commercial and Residential Development

Headline Local Growth Fund asks for 2015/16 include

The delivery of place-based packages comprising projects to deliver modal shift to create headroom for growth, targeted pinch point schemes on the road network, multi-modal corridor improvements, new access infrastructure and other targeted infrastructure measures to unlock our key sites including:

Broadmarsh and Southern Gateway

Reinvigorating the southern entrance to the City Centre of Nottingham, this programme ensures the Southern Gateway including Broadmarsh will be transformed through transport and public realm infrastructure investment linked to the £150m investment (Intu and City Council) in the Broadmarsh centre, £40m new Station Hub, a new integrated college site and Nottingham Castle redevelopment. This will support comprehensive development, the growth of the D2N2 priority sector of the visitor economy and greatly expand Nottingham's retail offer.

Outputs: 9900 Jobs 900 dwellings

Our City Our River, Derby

A comprehensive programme of capital infrastructure interventions, designed to unlock substantial economic regeneration of brownfield opportunity sites; incorporating innovative flood resilience, alleviation, and defence measures

Outputs: 6000 Jobs 600 dwellings

Chesterfield town centre and A61 Growth Corridor

Development of Chesterfield Waterside and commercial development around the canal basin. Includes A61 Whittington Moor Roundabout. Major junction improvement and committed Local Transport Board Majors priority scheme.

Outputs: 3700 Jobs 1990 dwellings

Derby A52 Pride Park

Major junction improvement and committed Local Transport Board Transport Majors priority scheme. Will support 3200 new jobs on Pride Park and the Derwent Triangle.

Outputs: 3200 Jobs

Rolls Royce site, Hucknall

Access and infrastructure works to facilitate 27.1ha business park and residential development

Outputs: 2200 Jobs 900 dwellings

Woodville/Swadlincote Regeneration Route & Drakelow Park

Unlocking up to 35 hectares of land for redevelopment

Outputs: 2160 Jobs 2539 dwellings

Markham Vale Enterprise Zone

Seymour Link Road. Regeneration Route and committed Local Transport Board Transport Majors priority scheme.

Outputs: 2114 Jobs

A46 corridor projects, Rushcliffe

Facilitating 3 urban extensions on the edge of Nottingham

Outputs: 2000 Jobs 3500 dwellings

A57 / A60 Junction, Worksop

Major junction improvement and committed Local Transport Board Transport Majors priority scheme. The scheme will contribute towards enabling 1,805 new jobs and 1,175 new homes.

Outputs: 1805 Jobs 1175 dwellings

Key Mixed Use sites in the Peak

New access routes to facilitate development at Ashbourne, Bakewell Riverside, Fairfield Link, Buxton

Outputs: 1450 Jobs 810 dwellings

Sherwood Growth Corridor

Providing highway improvements to bring forward 5.8Ha of employment land and the Mansfield urban extension
Outputs: 1000 Jobs 1700 dwellings

Newark Southern Link Road
Unlocking a major strategic mixed use site to the south of Newark to facilitate an urban extension
Outputs: 800 Jobs 4050 dwellings

Priority Actions

- A programme of prioritised economic infrastructure investment to accelerate the delivery of jobs and homes
- A Large Sites programme in partnership with HCA
- Superfast broadband connectivity across D2N2
- Work with partners to fully capture the benefits of HS2 (see HS2 and East Midlands Connectivity)

3. A D2N2 Skills Deal

Headline Local Growth Fund asks for 2015/16 include;

A Single Further Education Hub for Nottingham
The Nottingham Skills and Employment programme will involve integrating FE provision and employment opportunities across the city that will meet the demands of business. It will provide a new physical College hub in the heart of Nottingham's Creative Quarter, with employment spokes in our communities, which will complement existing Work Programme, Youth Contract, Employer and Apprenticeship Hubs. The Nottingham Skills Hub will respond directly to the needs of local employers; supplying the skills required for Nottingham's key employment and growth sectors. It will promote and develop entrepreneurial behaviours, career aspiration and transparent progression pathways into employment, within fit-for-purpose, industry-standard facilities.

Outputs: 490 Jobs
New integrated FE and Skills provision delivered via close collaboration and serving Nottingham its sub-region and 1,200 additional learners per year within 3 years

Chesterfield Centre for Higher Level Skills I
The new Centre for Higher Level skills will deliver a step change in higher level skills opportunities and support the economic growth and resilience of businesses and the workforce in Chesterfield and North East Derbyshire. A clearly visible progression pathway from Apprenticeship to Higher Apprenticeship will encourage and provide a greater opportunity to young people with more choices post-16. The University Centre will provide innovation support to stimulate business collaboration and by providing eight business incubation units a programme of enterprise and entrepreneurship support.

Outputs: 1483 new students over 5 years who would have access to higher and vocational pathways

Hudson Building, Derby
Derby College will be able to offer more opportunities in construction for young people across all age ranges as well as offering more flexibility. The College will expand its apprenticeship provision across all levels as well as offering a broader range of apprenticeships and programmes such as qualifications in ground-working, low carbon construction techniques, retro fit and environmental construction and roofing.

Outputs: 2000 new students over 3 years, 96 new apprenticeship opportunities within the first year.

Vision University Centre, Mansfield
The Vision University Centre will create a new teaching and learning space with state of the art facilities to support local people gain higher level vocational skills. The new University Centre will build on the success of the local HE provision offered by West Nottingham College in partnership with local universities. Creating more opportunities to access higher level skills locally will support increased progression to HE among young people and ensure local employers can access the higher level skills they need to support the growth of their businesses.

Outputs: The new University Centre will support in excess of 600 new HE learners over 3 years, including an additional

100 Higher Apprenticeships

Broomfield Hall, Derbyshire (redevelopment)

The fit-for-purpose land-based skills campus and sports analysis centre will prepare over 500 learners with new emerging careers. Broomfield Hall delivery will be based around vocational and apprenticeship provision.

Outputs: 176 new apprenticeship opportunities within the first year.

Priority Actions:

Transformation of facilities for HE/FE including:

- A new campus at Basford Hall, Nottingham will be a regional hub for training in construction, science, technology and sustainable technologies. The campus will be a true 'community college' which reflects the hopes and aspirations of those living nearby.
- An integrated Nottingham Skills Hub providing a new physical integrated college serving Nottingham and Nottinghamshire in the heart of Nottingham's Creative Quarter.
- A University for Mansfield and Chesterfield will deliver a step change in higher level skills opportunities and support the economic growth and resilience of businesses and the workforce in Mansfield, Chesterfield and North East Derbyshire.
- The HS2 College is a significant opportunity to build on the specialist facilities and extensive relationships with employers that already exist, and all stakeholders are committed to working collaboratively to provide a centralised locality.
- UTCs for Derby and Nottingham will provide specialist education and work-related opportunities for local students. The Derby Manufacturing University College will specialise in engineering and technology skills and the Nottingham University Academy will specialise in science, technology, engineering and maths.
- The Vision Studio School at Mansfield will provide an exciting, vibrant and dynamic learning experience for young people aged 14-18 and will specialise in Engineering, Transportation and Health and Care occupations.

Meeting the Needs of Key Sectors:

- Sector Consultative Task Groups and action plans are being formulated to inform workforce growth, development and on-going consultation.
- A holistic employer and sector-led engagement strategy.

Increase Employability and Enterprise Skills:

- A D2N2 Employability Framework to help young people to be more job ready, support school IAG, skills competitions, events, pathways, enterprise and a D2N2 Skills Show.
- A D2N2 pathway for traineeships and higher level career pathways developed as a tool-kit for students, schools, careers advisers, providers and employers.

Reducing Unemployment:

- Support for local programmes to help people into work with activities to engage the disengaged, promote destination and outcome based programmes and provide local and responsive support and funding in line with emerging community needs. Provide specialist support, engagement and incentives.
- Reducing NEETs and youth unemployment through increased success for IAG.

Increasing Employer Uptake:

- Provide demand-led training informed by employers.
- Develop activities to support the roll-out of a sustainable Apprenticeship Hub model across D2N2 providing employer incentives to encourage a 20% increase in apprenticeships.
- Provide opportunities to create traineeship destinations through engagement incentives to support providers and employers.

Higher Level Skills Development:

- Access to a highly skilled workforce critical to its future growth, capacity for innovation and economic resilience.
- Support graduate placements and internship projects

4: HS2 and East Midlands Connectivity

Headline Local Growth Fund asks for 2015/16 include

Collaborating to fully realise the huge economic potential of HS2 and to build the competitive advantage provided by our connectivity through the East Midlands and beyond is a priority for D2N2 in 2015/16.

HS2: Detailed Connectivity and Master Planning

We will work with partners, including HS2 Ltd, East Midlands Airport, transport authorities, LLEP and business to masterplan the proposed HS2 Station, develop an integrated East Midlands connectivity package, exploit the full benefits of the proposed rail freight hubs and study solutions for orbital movements to the east side of Nottingham. This will require revenue support from the Local Growth Fund to unlock the economic potential of the station site and ensure that wider region maximises the benefits from HS2 and strategic connectivity enhancements.

Midland Main Line Speed Improvements for Market Harborough

Working collaboratively with Network Rail, LLEP and Sheffield City Region LEP we will use Local Growth Funding to deliver line speed improvements to the Midland Mainline at Market Harborough to enhance journey times, particularly to London from the East Midlands and South Yorkshire. It is a time critical investment that needs to happen in advance of electrification.

Nottingham – Lincoln Castle Line

The speed and frequency of rail services between the Core City of Nottingham and Newark, a key focus of future growth, and then to Lincoln are an impediment to growth in this key corridor with the fastest current journey time slower than the service 100 years ago. D2N2 will work with East Midlands Trains and Greater Lincolnshire LEP to secure Local Growth Funding to increase train frequencies and improve journey times on this corridor.

Superfast Broadband

We will build on current investments through BDUK and other routes through investments leveraged by the Local Growth Fund to spread connectivity, particularly in rural areas, beyond the current 95% of premises coverage target and to address insufficient speed in key urban areas. This will minimise digital exclusion and together with support for exploiting enhanced digital connectivity, support business investment and growth.

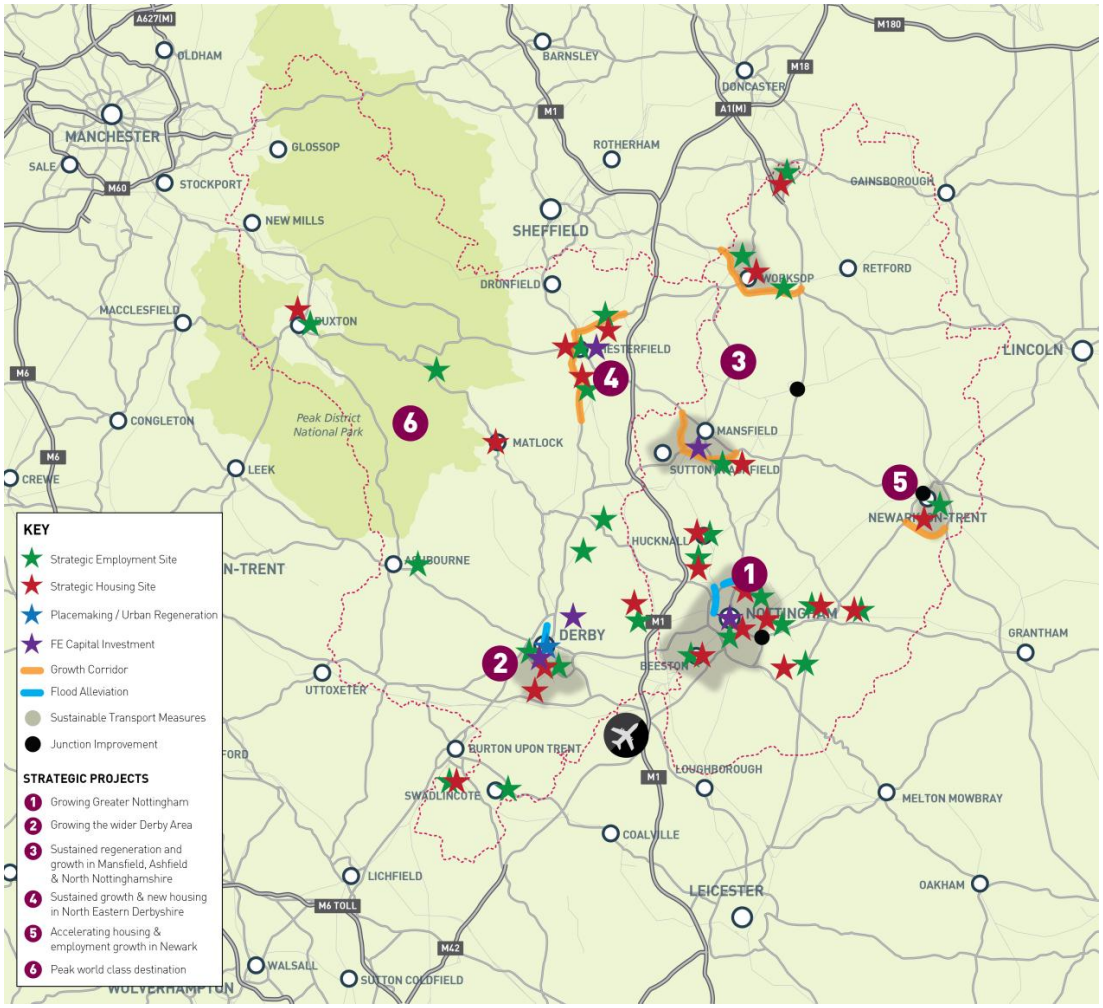
HS2 College in Derby

Locating the HS2 College at Derby will not require support from the Local Growth Fund. It is readily deliverable in 2015/16 and will provide world class skills for the development and operation of HS2, building on the existing facilities, capacity and established rail industry relationships of our 11 colleges working in partnership.

Priority Actions:

- We will lead a taskforce to develop a strategy to fully capture the benefits of HS2, bringing together HS2 Limited, LLEP and local transport authorities. This will include the development of a Masterplan for the proposed HS2 station, to support the delivery of the proposed Maintenance Deport at Staveley and to enable early work on infrastructure, and a regional connectivity package to deliver improved connectivity across the D2N2 area, and fully capture the benefits of HS2 for the East Midlands economy
- We will work with East Midlands Airport, LLEP, Highways Agency, rail stakeholders and private sector partners to maximise the benefits of the development of air services and emerging proposals for Strategic Rail Freight Interchanges near A50/M1 J23a/24, which will deliver large-scale economic benefits across the wider East Midlands.
- We will work with Network Rail, Sheffield City Region and LLEP to ensure immediate action to secure improvements to line speeds at Market Harborough, prior to electrification of Midland Main Line, and with GLLEP to secure improvements to the Nottingham Lincoln Castle line.
- Accelerated business cases for key economic infrastructure and connectivity investments, including wider rail connectivity, the Fourth Trent Crossing and orbital movements around the east side of Greater Nottingham.

Map of LGF Spend Priorities for 2015/16



1 INTRODUCTION

About this plan

1.1 This Implementation Plan accompanies the Strategic Economic Plan produced by Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership (D2N2 LEP). It sets out for each of the five strategic themes in the SEP what the LEP partners are already investing and what more we need from the Local Growth Fund to ensure we can achieve our economic ambitions.

1.2 The Implementation Plan sets out how we will ensure that these major strategic programmes and projects are delivered for the benefit of all the residents and businesses in D2N2. We will update this plan annually and monitor progress against each of the strategic objectives, taking prompt action to ensure we deliver on our commitments.

1.3 The Implementation Plan is not focussed solely on the LGF but considers all the resources across the area that can be marshalled to support economic growth. It brings together in one place our overall investment plans, providing an integrated overview of economic development activity. Wherever possible, we wish to deliver in an integrated way, maximising the return from our resources by aligning funding streams to deliver complementary investments.

The case for investment

1.4 The SEP sets out the key opportunities that the D2N2 economy offers, and the barriers that we need to overcome to ensure these opportunities are realised. In summary:

Key Opportunities and Challenges for D2N2	
Business	
Opportunities Increasing manufacturing exports for high value added products. Developing new materials and innovation Number of major employers and UK head offices Potential to develop visitor economy Increasing demand from international inward investors	**Challenges** Access to funding to support business growth Low levels of entrepreneurialism Under-investment in innovation and R&D A lack of financial support and expertise available to SMEs looking to develop business growth and improvement plans
Spatial and economic infrastructure	
Opportunities Enterprise Zones and other employment growth areas Substantial housing growth to respond to demand Regeneration areas to unlock new growth in areas difficult to develop Targeted interventions to tackle social exclusion Building on the economic opportunities in market towns, villages and rural areas. The proposed HS2 improvements to connectivity	**Challenges** Shortcoming in connectivity Investment needed in transport and access improvements Improvement needed to local centres Investment needed to overcome constraints to the regeneration of critical sites Uncertainty over future returns which prevents commercial investment Housing barriers Improvements needed in broadband connectivity

Workforce and Skills	
Opportunities 3 universities with large number of graduates each year. Transfer of University research and innovation into businesses Opportunities to increase apprenticeship numbers Opportunities to make education and training more employer focused	**Challenges** Young people leaving education without employability skills Uninformed subject and career choices Difficulty in retaining graduates Unwillingness/ inability of businesses to invest in workforce training

Progress to date

1.5 Since its formation in 2010, D2N2 LEP has established a strong track record of inspiring, facilitating and delivering economic growth.

Our achievements include:

- Securing £100m+ of investment across D2N2 through Regional Growth Fund, Growing Places Fund and other funding sources
- Our £26m Growing Places Fund programme, which is unlocking commercial and mixed use developments across the D2N2 area
- Over £1bn currently being invested in transport improvements across the D2N2 area, including rail improvements at our major stations, the M1 managed motorway and the current improvements to the A453
- Delivering superfast broadband programmes across the D2 and N2 areas to ensure rural businesses and communities are not disadvantaged by poor digital connectivity
- Working with partners to develop our Skills for Growth Strategy and Action Plan, Low Carbon Action Plan and European Structural and Investment Funds Strategy
- Working with partners to secure additional funding and flexibilities to support growth through the Nottingham City Deal, Derby Enterprise Growth Programme and Global Derbyshire Programme.

Development of the plan

1.6 Our SEP has been developed through an iterative process of consultation and communication with the business community and partners across D2N2. We have used a range of approaches to agree our priorities and key programmes of activity, with the intention of achieving the maximum value for money in each of the strategic themes. For example:

- Business-led groups from each of our priority sectors are developing sector action plans which will determine the focus of investment in areas including innovation, skills and business support. We have also engaged with business support providers (including the Chamber, Federation of Small Businesses and CBI), local authorities and the universities to refine our business support proposals;

- The universities in consultation with key partners have led on the development of an Innovation Plan. The plan provides an innovation baseline and sets out some principal aims and objectives which have been designed to dovetail with the SEP ambitions. The plan has three main components covering (a) the knowledge base (b) business support for innovation and (c) innovation infrastructure. It presents indicative resources and success measures and is illustrated throughout by some case studies – recognising there is already a wealth of activity in the area that can be built on.

- The LEP team is working closely with the Skills Funding Agency and Department of Work and Pensions to shape the development of our Skills Deal, and will shortly be consulting with businesses and providers to refine the scope and scale of the proposed activities. We have also worked with the Skills Funding Agency to prioritise and test our proposals to enhance the FE estate, drawing on the expertise of Agency staff whilst ensuring alignment with our strategic priorities.

- We have worked with each of the four upper tier authorities (and through them with our districts) to develop, refine and prioritise our transport and infrastructure proposals.

1.7 Whilst we have made rapid progress over the past six months, and are now clear on our shared priorities and major programmes of investment, we recognise that there is still a considerable amount of work to be done to move us from 'strategy' to 'implementation'. A detailed work programme is already in place to take forward the work referred to above, which will ensure that we are ready to commence delivery in 2015.

Ensuring delivery

1.8 Our business-led Board is eager that we now get on and deliver the plans we have developed over the past year. The Board will provide the strategic leadership for our SEP, as set out in the 'Governance and Implementation' section in the SEP document.

1.9 In the main, the programmes of activity set out in this Implementation Plan will be delivered by our partners – the local authorities, the universities, business support organisations and education and training providers. The role of the LEP is to energise and empower partners, rather than to deliver ourselves. We have a small core team who are driving forward our plans in relation to business support, sector growth, employment and skills and social inclusion, and we work closely with the local authority leads on economic infrastructure and housing. The approach to delivery varies in each of these areas, reflecting local circumstances and the institutional 'architecture' in each area.

1.10 We are also working with partners outside the LEP area, where have shared objectives and there are clear benefits of doing so. This includes our work with Sheffield City Region LEP and Leicester and Leicestershire LEP on line speed improvements to the Midland Mainline at Market Harborough.

1.11 The LEP's role will be to manage the overall growth programme, monitoring and reporting to the Board on the use of the resources under its control – LGF, ESIF funds including ERDF, ESF and EAFRD, and the funds which will be generated in future years through the Enterprise Zone uplift and GPF receipts. We recognise that the LEP will need to work through an accountable body, which will act on our behalf to hold the Local Growth Fund monies, ensure implementation and provide appropriate assurance to both Government and the D2N2 Board that LGF is being used in an effective and efficient manner. Our accountable body will put in place the resources required (financial and management capacity) to oversee the use of LGF, including managing multiple contracts with delivery partners.

1.12 Individual programmes of activity / projects will be managed and delivered by our partners, and we will work closely with them to ensure the LEP's strategic objectives are being met.

Negotiating our Growth Deal

1.13 D2N2 has identified a coherent programme of investment in business growth, skills capital and transport and economic infrastructure with a requirement for support from the Local Growth Fund. This Implementation Plan sets out the strategic rationale for our proposed interventions, the outputs that we will achieve and how we will effectively manage delivery. It forms the basis for our negotiation of our Local Growth Fund settlement with Government as part of our wider Growth Deal. We will nominate a tightly focused Growth Team to lead our partnership's negotiations.

1.14 D2N2 LEP has undertaken a rigorous process of initial prioritisation (see appendix 1) to identify our requirement from the transport and economic infrastructure element of the Local Growth Fund using the key criteria of deliverability, jobs and homes unlocked and connectivity improvement. We have identified a series of strategic economic infrastructure packages that, together, will deliver a transformative economic impact, accelerating private sector employment and the supply of new homes. Through a detailed process of application and assessment we have identified our initial programme of priority skills capital projects and our indicative requirement for support from the Local Growth Fund. Finalisation of the skills capital programme will be subject to the availability of sufficient Local Growth Funding and appropriate due diligence on each scheme.

1.15 To ensure that we retain a clear focus on delivery, we have identified a firm list of 2015/16 starts, an indicative list of 2016/17 starts and a pipeline of improvements beyond. We will review and refine our priorities every year. We will closely manage our programme and delivery capacity, to ensure spend to profile. However, in the event of slippage, we will not automatically re-profile spend between years. Any programme that does not start as anticipated in 2015/16 will need to be reviewed and prioritised against the full list of potential 16/17 starts.

1.16 Within each of our economic infrastructure strategic investment packages there is a comprehensive programme of improvements and investments, which have been prioritised according to their Value for Money. This initial prioritisation of economic infrastructure schemes is intended to inform our negotiation of a Growth Deal with Government. The assumptions underpinning our initial VFM assessment will undergo peer challenge and review during early April 2014 to substantiate those negotiations.

1.17 We will seek a financial settlement to enable the full implementation of our integrated programme of investments. Should Government not make sufficient funding available to fully deliver our ambitions, D2N2 LEP will wish, through its nominated 'Growth Team' to have full, detailed, scheme by scheme discussions with officials, and Ministers where appropriate, well in advance of the formal agreement of the D2N2 funding settlement. This will ensure that we retain the capacity to delivery comprehensive, locally owned and effective interventions to unlock the delivery of jobs and homes across the D2N2 area.

Scale and Sources of Investment

1.18 During the 2015/16-2020/21 period, over £2bn of public sector resources will be invested in economic growth activities across the D2N2 area, including nearly £1bn of investment in transport and economic infrastructure; almost £500m in innovation and low carbon activities; over £400m in employment and skills; some £200m in housing and regeneration and nearly £140m to support our businesses and ensure they are able to access the finance they need to grow and prosper. This will complement investment already being made by private sector businesses across the D2N2 area, including that planned by Bombardier to fulfil its £1.3bn Crossrail contract with Transport for London, and stimulate additional private sector investment by unlocking the development of key employment and mixed use sites.

1.19 The investment will come from a wide range of public and private sources, including over £600m expected to be invested by our nineteen local authorities (based on existing levels of expenditure); over £500m to be invested by our three Universities; nearly £220m from the European Structural and Investment Funds; and an estimated £150m from the Homes and Communities Agency. It will build on investment made in the Nottingham City Deal. In addition, we are seeking some £450m of investment from the Local Growth Fund, to be focussed on economic infrastructure to unlock growth, the renewal of our FE capital estate, and business support for our key sectors.

LGF Spend Priorities for 2015/16

1.20 D2N2 has made rapid progress over the past year in developing and refining our strategy for economic growth, working with private and public sector partners to agree an ambitious programme which will deliver growth across Derby, Derbyshire, Nottingham and Nottinghamshire.

1.21 This Implementation Plan sets out how D2N2 will deploy the resources within the influence of the partnership to deliver the ambition set out in the Strategic Economic Plan, the strategic rationale for the proposed interventions, spend and impact. It sets out a comprehensive long-term programme of action covering each of the SEP's five s themes: business support and access to finance; innovation; employment and skills; economic infrastructure; and housing and regeneration.

1.22 However, the key purpose of the document is to demonstrate to Government the key Local Growth Fund spend priorities for the D2N2 partnership in 2015/16 and the indicative pipeline for years beyond. The partnership will review this rolling implementation plan each year. One of our key asks of Government is for long-term certainty of funding so that we can support the long term transformative projects that will maximise our strategic advantage.

1.23 The table below summarises our ask of the Local Growth Fund in 2015/16. Our proposed expenditure is focussed on economic infrastructure – projects relating to transport, site and premises development and broadband, which will allow us to unlock development sites across D2N2.

Summary ask of LGF (15/16)

Area	**Total LGF 15-16, £m**
Business Support and Access to Finance	3.0
Employment and Skills	35.0
Economic Infrastructure	110.7
Housing and Regeneration	0.0*
Total	**148.7**
*Included in economic infrastructure in 2015/16	

1.24 The table in appendix 1 provides a summary of each of our 2015/16 LGF-funded projects / programmes. More detail is included in the business cases provided as an annex to this Implementation Plan.

2 MAXIMISING THE RETURNS TO LGF IN D2N2

Introduction

2.1 We are determined to ensure that all the monies invested in economic growth in D2N2 are used in the most effective way possible, to maximise the contribution made to achieving our growth ambitions. This extends to our use of funding made available through the Local Growth Fund. This chapter sets out how we will ensure that maximum value is obtained from LGF in D2N2.

Identifying proposals

2.2 Our approach to identifying proposals to be included in our SEP Implementation Plan has been strategy-led – we have invested considerable time in ensuring D2N2 businesses have had chance to influence our Growth Plan and SEP priorities and are now working with the private sector and partners to develop proposals which directly align with these priorities. We are committed to developing the strongest proposals, drawing on private sector expertise, and recognise that this is an iterative process (and therefore takes longer than revising existing plans which have not been taken forward previously).

2.3 As noted in 1.6 above, we have used a variety a mechanisms to identify the proposals included in this Implementation Plan. For transport and economic infrastructure projects, we issued a call for Expressions of Interest to the upper tier authorities (on behalf of all local authorities). Those that met our SEP objectives and could demonstrate that they could be delivered during the required time period have been taken forward and full details submitted for appraisal by our independent transport consultants.

2.4 For business support, innovation and employment and skills (where the level of LGF investment is expected to be substantially less and where the EU Structural and Investment Funds and contributions from opt-in partners will be significant), we have developed Implementation Frameworks which specify the programmes of activity we will deliver, drawing on both EUSIF and LGF resources. These have been tested and refined during workshops with partners.

2.5 We are working with the Skills Funding Agency to develop a programme for investment in our FE capital estate which is aligned with our strategic objectives. The FE college principals have also met to agree priorities.

2.6 We are working closely with neighbouring LEPs in a number of areas. For example, we will have had a number of discussions with Leicester and Leicestershire LEP in relation to Task Force to drive the development of the East Midlands Hub, bringing together important investment in East Midlands Airport, the Strategic rail Freight Interchange and HS2. We have developed protocols with Sheffield City Region LEP to ensure a joined up approach to delivery in the overlap area covered by both LEPs.

A robust and independent appraisal process

2.7 We have developed a robust and independent appraisal process to ensure that we prioritise those investments which will make the greatest contribution towards achieving our economic ambitions. We wish to build on the success of existing approaches where this has been clearly demonstrated, and support the continuity of existing programmes and their roll-out across the D2N2 area where this offers the best value for money.

2.8 Our approach reflects the wide variation in the types of investment being supported through LGF, ranging from business support, to investment in the FE estate, to major infrastructure developments, and the different outputs and outcomes to which these investments will give rise. Our appraisal process recognises

these differences and does not try to compare one type of investment with another. However, there are four underlying principles which provide the foundation for appraisal of all projects:

- **Strong strategic alignment:** The starting point for our assessment of the potential contribution a programme or project may make is the strength of its alignment with our overarching strategy and the strategic objectives for each of our five themes. All projects and programmes which seek to be funded through resources controlled through D2N2 LEP (including LGF, EUSIF, RGF and GPF) need to demonstrate how they will contribute to achieving our targets.

- **Excellent value for money:** In order to be prioritised for investment, all the projects and programmes included in the SEP Implementation Plan (and to be included in the EUSIF Delivery Plan) have been required to demonstrate excellent value for money. Benchmark unit costs have been used to compare proposals with what has been achieved elsewhere and ensure funds invested will achieve the maximum possible return.

- **Additionality as a prerequisite:** Our intention is that LGF should be used only where additionality can clearly be demonstrated, i.e. where investment would not proceed without it. We have chosen to focus most of our LGF investment on economic infrastructure, reflecting the importance of creating the conditions for growth, and the limited availability of other sources of funding for this type of investment. This approach will also allow us to unlock significant private sector investment, generating high levels of leverage and increasing the return on LGF investment in D2N2.

- **Deliverability:** we have prioritised those projects which can demonstrate early deliverability (including existing projects or programmes whose funding is due to expire within the Growth Plan period), with a focus on the security of match-funding, the risks associated with the investment and how these have been mitigated, the milestones to be achieved before delivery can commence and projects which have a robust delivery vehicle in place. We also require highly visible and transparent programmes so that local partners can see exactly what is being delivered and where.

2.9 Details of the appraisal and prioritisation processes used to identify the projects for which we wish to secure LGF funding, are provided in appendix 1.

Prioritisation and Scaleability

2.10 The proposals included in this Implementation Plan (where LGF is being requested) have been subject to the appraisal process described above. The economic infrastructure proposals have been prioritised on the basis of deliverability and value for money, once strategic fit had been assessed. These criteria have also been applied to the FE capital projects.

2.11 We have also considered scaleability. An increased amount of LGF funding would enable us to deliver more of our strategic transport and economic infrastructure projects, and we have a pipeline of projects offering good value for money that we will be able to deliver if sufficient LGF resources are secured. As part of the assessment of deliverability we have considered the capacity of our partners to manage and deliver an increased number of LGF-funded schemes, and are confident that there is capacity within the partnership to do this successfully.

2.12 In the case of additional funding from the RGF pot, we will direct additional capital investment into businesses with the potential to generate employment growth. Should we be able to support the local authorities to extend their HRA borrowing by more than is currently envisaged, we would like to investigate the level of demand to determine whether it would be sufficient to support the development of a greater number of affordable homes than is currently proposed.

Performance Management

2.13 We will monitor our progress through a performance management framework The LEP Board will have strategic oversight of the LGF and EUSIF programmes, and will review performance against the key economic measures set out in our Strategy for Growth. Progress will be reported annually in our State of the D2N2 Economy report.

D2N2 Key Economic Measures	
Number of private sector employee jobs	Business 3 year survival rate
GVA per FTE, £	Business 5 year survival rate
Employment rate, %	% of working age pop. L4+
Private sector job creation	% of working age pop. L3+
Unemployment rate	% of working age pop. no qual.s
Business start up rate	No. of apprenticeship starts

2.14 At the strategic theme level, we will also track progress against the objectives, using the key indicators identified in the Implementation Frameworks:

D2N2 Key Indicators by Strategic Theme*		
Business support	**Innovation**	**Employment and Skills**
Business start-up rate	Patents per 100,000 residents	Workforce qualifications (Level 3 and Level 4)
Business survival rate (3 and 5 years)	Share of employment in knowledge economy and high and medium-tech manufacturing	Employer investment in training
Priority sectors - Business base, employment and productivity	Graduate recruitment	Graduate destinations
Businesses by size band	Businesses involved in innovation	Employers reporting skills gaps / skills shortages
		Employers' views of young people's readiness for work
		Employment and unemployment rate
		Young people that are NEET (not in employment, education or training)
*Indicators to be developed for Economic Infrastructure and Housing and Regeneration themes		

Monitoring and Evaluation

2.15 D2N2 recognise the importance of evaluation in programme design and delivery. Evaluation is a vital component of building a successful programme, providing information about the success factors and where delivery and impact could be enhanced – it is more than a scorecard of success and failure. Findings from evaluations not only provide accountability measures, but will also help to guide next steps in programme development and can be used to promote our achievements.

2.16 We propose to evaluate the progress we are making against the objectives set out in the Strategic Economic Plan on a periodic basis, at an appropriate mid-term point and again towards the end of the five-

year LGF funding period. The evaluation will be externally commissioned to ensure robustness, and will consider the contribution that LGF-funded activities have made to the progress recorded against the key economic measures. The evaluation will consider both gross and net impacts of LGF-funded activity and the counterfactual position.

2.17 Our approach to evaluation will be guided by the following good practice principles:

- **An integrated approach to evaluation**: wherever possible, we will evaluate programmes of activity, rather than being tied to specific funding streams. We will adopt an integrated approach to evaluation, whilst being mindful that some funders have specific evaluation requirements (see below).

- **Adhering to the funders' evaluation requirements:** We will comply fully with all funders' evaluation requirements, in particular those linked to ERDF and ESF funding.

- **Independence:** Evaluations that merely provide the messages that stakeholders want to hear offer little benefit. Recommendations can only be successful if they are underpinned by solid and unbiased evidence. We will ensure that all evaluations of our activity are externally commissioned and delivered by independent evaluators.

- **Keeping evaluation front of mind from the outset:** We will consider the need for evaluation frameworks to identify necessary data capture throughout a project or programme's lifetime and specify interim and final evaluations for long running programmes.

- **Accessible and widely shared outputs:** Clear and easy to read outputs will ensure that all target audiences will engage with the evaluation findings. We are committed to ensuring that we share the findings of all evaluations of D2N2 activity with partners and funders.

- **Achievability:** Recommendations will be realistic and achievable.

- **Learning:** Evaluation should be seen as a tool to ensure learning from experience, generate greater levels of impact, achieve better value for money and to meet strategic objectives. As cited in the Treasury Green Book, evaluation is "not about apportioning blame but about learning from experience". Moreover, evaluation is not a stand-alone activity but part of a process where continual learning is achieved through a formal project cycle.

2.18 It is on this basis that we will develop a detailed evaluation plan as part of our preparations for delivery, once the nature of the programme we will deliver, its scale and sources of funding are confirmed. The potential coverage of the evaluation plan at project, strategic theme and LEP level is shown in the table below:

Evaluation Requirements: The approach for project, theme and LEP level evaluation

Project-level – Potential coverage (proportionate to project size)

- Development of a logic chain to explain the rationale and market failure that the intervention seeks to address, the activities and expected outcomes and impacts
- Agreement of key performance indicators (KPIs) with the Accountable Body and development of an evaluation framework for each project
- Regular monitoring of outputs (reports and/or database) and balanced scorecard showing progress and areas of over or under performance
- Process evaluation including an end-to-end review of management and delivery processes, best practice, lessons learnt and opportunity for enhancement
- Economic impact including gross to net impact calculations, taking account of deadweight,

leakage, displacement, substitution and multipliers
- Value for money will be assessed via evidence from comparator interventions

Strategic Theme-level – Potential coverage

- Development of a logic chain to explain the rationale and market failure that the intervention seeks to address, the activities and expected outcomes and impacts
- Programme-level evaluation covering activity across a set of projects, complementarities of the activity and programme level management and monitoring
- Strategic added value will be assessed via the programme's collaboration activity, strategic leadership, strategic influence and leverage
- Economic impact including gross to net impact calculations, taking account of deadweight, leakage, displacement, substitution and multipliers
- Value for money will be assessed via evidence from comparator interventions

LEP-level – Potential coverage

- Development of a logic chain to explain the rationale and market failure that the intervention seeks to address, the activities and expected outcomes and impacts
- Assessment of the added value of a LEP approach
- Management and governance evaluation including assessment of strategy development and business planning, governance, management and communication,
- Research and baseline to develop an evidence base
- Economic impact including gross to net impact calculations, taking account of deadweight, leakage, displacement, substitution and multipliers
- Value for money will be assessed via evidence from comparator interventions

3 HEADLINE FINANCIAL PROPOSALS

Introduction

3.1 This chapter sets out our headline financial proposals, broken down by strategic theme, year and source of funding. The subsequent chapters provide details of the programmes and projects that will be supported within each strategic theme.

Investment by Strategic Theme

3.2 Table 3.1 provides an estimate of the level of investment expected to be made in each of our strategic themes over the six year period 2015/16 to 2020/21.

Investment in Strategic Priorities – Local Growth Fund							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Business support and A2F	18.6	22.9	26.6	26.6	24.7	24.7	144.1
Innovation	74.4	77.1	79.4	79.4	78.3	78.2	466.8
Employment and skills	93.2	77.2	72.4	71.0	71.0	69.2	454.2
Economic infrastructure	214.7	201.6	170.6	170.6	170.2	170.1	1,097.8
Housing and regeneration	23.3	31.6	32.4	32.7	33.5	34.0	237.0
Total	**424.2**	**410.5**	**381.4**	**380.3**	**377.7**	**376.3**	**2,400.4**

3.3 During the 2015/16-2020/21 period, £2.4bn of public sector resources will be invested in economic growth activities across the D2N2 area, including nearly £1.1bn of investment in transport and economic infrastructure; almost £500m in innovation and low carbon activities; over £450m in employment and skills; over £200m in housing and regeneration and more than £140m to support our businesses and ensure they are able to access the finance they need to grow and prosper. This will complement investment already being made by private sector businesses across the D2N2 area, and stimulate additional private sector investment by unlocking the development of key employment sites.

Estimated Investment by Source

3.4 The investment will come from a wide range of public and private sources, including over £600m expected to be invested by our nineteen local authorities (based on existing levels of expenditure); over £500m to be invested by our three Universities; nearly £220m from the European Structural and Investment Funds; and an estimated £150m from the Homes and Communities Agency. In addition, we are seeking some £688m of investment from the Local Growth Fund, to be focussed on economic infrastructure to unlock growth, the renewal of our FE capital estate, and business support for our key sectors.

Private sector

3.5 Investment by private sector businesses will be fundamental to the success of the D2N2 economy over the coming years. Examples of recent major investments in D2N2 include VF Corporation's recent £5m investment in Nottingham, which will create more than 150 jobs. D2N2 LEP works closely with the private sector through DNCC and expects to engage with over 250 businesses in the development of the SEP (our consultation process will continue beyond the March submission date). We also have close relationships with our largest and most strategically important businesses (including Rolls Royce, Toyota, Boots, Bombardier Nestle, JCB etc) and have involved them in the development of many of the proposals included in our SEP.

EU Structural and Investment Funds

3.6 We have recently submitted our EUSIF Strategy to Government. The strategy sets out how we will invest £106.9m of ERDF, £106.9m of ESF and £6.1m of EAFRD to support our economic growth ambitions for D2N2 over the next seven years.

3.7 The EUSIF strategy sets out how the EU funds will be used to deliver our overall growth objectives. The main areas of ERDF investment will promote SME competitiveness and knowledge-driven growth and innovation, with some funds also available to support ICT, low carbon and infrastructure. ESF resources will be focussed on supporting the skills required for a higher value economy rather than addressing disadvantage in the labour market, with 20% of the funding to be spent on social inclusion related activities. EAFRD will be used to provide distinct support for the rural parts of D2N2 in line with our overall programmes objectives, with a focus on supporting rural businesses. We also hope to secure funding through the next LEADER programme, and the Universities and innovation partners are keen to exploit opportunities under Horizon2020.

Local Authorities

3.8 Our local authority partners will make an important contribution to economic development investment across D2N2, through both capital and revenue expenditure. Their planned investments include large and smaller scale projects relating to housing, transport, skills and employment, regeneration and leisure, amongst others. Local authorities will draw on their core funding, as well as using funds including section 106, Community Infrastructure Levy, the Housing Revenue Account, Right to Buy receipts and New Homes Bonus, to deliver economic growth-related activity across D2N2.

Higher Education Institutions

3.9 Our three HEIs make a significant contribution to economic development in D2N2, directly through their income generation and employment role, indirectly through their supply chains and the multiplied effect of the wages they pay and through the transfer of knowledge, skills and expertise to our local businesses through their research and consultancy activities (see Innovation and Low Carbon strategic theme for further detail). Expenditure directly related to economy growth is estimated to amount to more than £90m per annum.

National Funders and Programmes

3.10 A large number of national programmes will deliver investment supporting economic growth in D2N2. These include:

- BIS business support programmes, including the Manufacturing Advisory Service, Growth Accelerator and UK Trade and Investment
- The Skills Funding Agency and Department for Work and Pensions, for skills and employment activities
- The BIG Lottery Fund to support activity relating to social inclusion
- The Homes and Communities Agency, to bring forward the development of commercial and mixed use developments
- The Technology Strategy Board, to support innovation amongst our SME base. The Research Councils are also investing in our local university research infrastructure.

Existing Regional Growth Fund and Growing Places Fund programmes

3.11 D2N2 has an RGF programme – Unlocking Investment for Growth – which is investing £6.7m of RGF and ERDF in businesses across D2N2, with a target of creating 200 jobs and levering at least an additional £13m of private sector investment. RGF programmes are also being delivered in Derbyshire and Nottingham. Details of the £110m RGF-backed programme to make the nation's aerospace supply chain more competitive globally are provided in the Innovation and Low Carbon section of this implementation plan.

3.12 Our Growing Places Fund programme is investing £26m across D2N2, unlocking commercial and mixed use developments and levering private sector investment at a ratio of £4:£1.

Enterprise Zones

3.13 Our Enterprise Zones, in Nottingham and Markham Vale, have both secured funding from the Enterprise Zone Capital Grant Fund (£5.5m for Medi-Park in Nottingham and £14.2m at Markham Vale), which we wish to see confirmed as soon as possible. The Nottingham Enterprise Zone will provide a source of income for the LEP, over the next ten years, which we will use to support the delivery of our housing and regeneration strategic theme.

Local Growth Fund

3.14 Despite the many funding streams available to support economic growth within D2N2, there remains a funding gap relative to the level of need. Some of our most important programmes and projects will not be able to progress without extra support. The Local Growth Fund will help us to close this gap and bring forward investments with the potential to have a significant impact on the D2N2 economy.

3.15 The table below shows estimated levels of growth-related expenditure in D2N2 from a variety of public and private sector sources

Anticipated Key Sources of Finance, £m

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
BIS[1]	1.0	1.8	2.4	2.4	2.1	2.1	11.7
TSB[2]	11.0	11.0	11.0	11.0	11.0	11.0	66.0
ERDF	9.0	16.0	22.0	22.0	19.0	18.9	106.9
ESF	12.0	16.0	20.0	20.0	20.0	18.9	106.9
BIG Lottery[3]	1.8	2.4	3.0	3.0	3.0	2.8	16.1
DWP match	2.4	3.2	4.0	4.0	4.0	3.8	21.4
HCA[4]	25.0	25.0	25.0	25.0	25.0	25.0	150.0
EAFRD[5]	0.5	0.9	1.3	1.3	1.1	1.1	6.1
Local Authorities[6]	102.0	102.0	102.0	102.0	102.0	102.0	612.0
HE[7]	92.0	92.0	92.0	92.0	92.0	92.0	552.0
FE[8]	24.0	12.8	1.4	0.0	0.0	0.0	38.2
EZ uplift[8]	2.9	3.2	4.0	4.3	5.1	5.6	25.1
LGF	148.7	132.5	101.8	101.8	101.8	101.5	688.1
Total	**432.3**	**418.8**	**389.9**	**388.8**	**386.1**	**384.6**	**2,400.4**

Notes
1 – includes MAS, GA and UKTI opt-ins
2 – estimated, based on reported investment in 2012
3 – BIG Lottery match to ESIF funds only
4 – estimated, based on current levels of expenditure in D2N2 area
5 – profiled as per ERDF
6 – estimated

7 - Assumes current scale of activity continues
8 – FE capital match to LGF only
9 – Forecast produced for D2N2 LEP by Gleeds

Local Growth Fund

3.16 The table below shows the total amount of LGF we wish to invest in our five strategic themes over the 2015-2021 period, based on our identification of projects which will contribute to our strategic objectives and are deliverable within the timescale. We plan to focus LGF investment on activities which will create the conditions for economic growth in D2N2 – economic infrastructure (including transport), housing and regeneration, and improving our FE estate. We will draw on funds available from other sources, including ERDF, ESF and national funding streams, to support business growth, innovation and raising levels of employment and skills.

3.17 Our priorities for LGF are identified in the plan. Our total LGF ask for 2015/16 is £148.7m. Over the six year Growth Plan period, we plan to invest a total of £688.1m of LGF delivering nearly 22,000 jobs and 12,800 homes. Whilst our ask is 'scalable' using our robust appraisal and governance framework, we are seeking an indicative minimum commitment of LGF for future years so that we can invest in getting projects ready and be confident in our ability to deliver.

Investment in Strategic Priorities – Local Growth Fund

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Economic Infrastructure	117.9	99.0	59.6	59.6	59.6	59.6	455.3
Business Support and Access to Finance	3.0	3.0	3.0	3.0	3.0	3.0	18.0
Innovation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Employment and Skills	25.1	26.9	26.0	26.0	26.0	25.7	155.7
Housing and Regeneration		8.0	8.0	8.0	8.0	8.0	48.0
Total	**146.0**	**136.9**	**96.6**	**96.6**	**96.6**	**96.3**	**669.0**

Estimated outcomes from LGF investment

3.18 The table below shows the outcomes we expect to achieve through our LGF expenditure.

Expected Outcomes resulting from LGF expenditure, 2015/16-2020/21

New jobs	21,750	Business supported	900
Additional GVA	£870,000,000	New houses	12,800

3.19 We expect our LGF ask to lever in significant private sector funding, including £980m from the economic infrastructure schemes.

3.20 Full details of our LGF request for 2015/16 is contained in the BIS template table included in appendix 1.

4 STRATEGIC THEME: BUSINESS SUPPORT AND ACCESS TO FINANCE

Strategic Objectives

1. Create a culture of enterprise amongst D2N2's young people and workforce, and encourage higher levels of business start-up in all parts of our geography.

2. Increase the value of output produced within D2N2, by raising productivity levels across the economy.

3. Support business, GVA and employment growth within our priority sectors.

4. Encourage our businesses to grow through the provision of tailored business support, access to finance and business leadership and management skills.

Key Activities

4.1 Whilst partners across the D2N2 area provide a wide variety of support to businesses, the D2N2 LEP has identified a number of areas in which additional investment is required to help us achieve our target of 55,000 additional private sector jobs across D2N2 by 2023.

A D2N2 Growth Hub

One of our key enabling actions will be to establish a Growth Hub, operating across the D2N2 area. Our ambition is to simplify the business support landscape and ensure a consistent and coherent business support offer is available across the D2N2 area. This will enable us to provide better support to new and growing businesses by aligning services provided by public, private and third sector providers, whilst avoiding duplication and ensuring the most effective use of public money. The Chamber of Commerce and Nottingham, in its capacity as a Core City, will bring forward proposals for establishing a Growth Hub covering the whole D2N2 area.

The Growth Hub will provide a single point of contact for businesses, providing expert and tailored advice ranging from enterprise and start-up support, to business improvement and international trade activity.

The Growth Hub will ensure that support provided locally by national providers, including the Manufacturing Advisory Service, Growth Accelerator and UKTI, is informed by local information and intelligence, existing exemplar programmes and tailored to the specific needs of D2N2 businesses. It will also provide an entry point for businesses seeking funding advice and finance, including access to D2N2's existing Unlocking Investment for Growth RGF fund and Nottingham Technology Grant Fund (N'Tech) together with routes into locally based centres of excellence such as the innovation services provided by Universities.

The Growth Hub will provide support and advice to all businesses across the D2N2 area, whatever their size, sector or stage of development.

A Portfolio of Access to Finance Solutions

Access to finance has been a significant barrier to business growth since the onset of the recession in 2008. Drawing on a number of sources of finance, including RGF, European Structural and Investment Funds, *emda* legacy funding and other sources, D2N2 LEP will work with partners including other Local Enterprise Partnerships to promote and facilitate the availability of a range of business finance solutions to ensure local businesses can access the financial support they need to grow.

Sector Development Plans

D2N2 LEP initially identified six priority sectors which are of strategic importance to the future of the economy – transport equipment manufacturing; medicine / bioscience; food and drink manufacturing; construction; the visitor economy; and the low carbon economy. These are already the focus for a variety of activity across the LEP area, including being a priority for the use of funds from the Unlocking Investment for Growth RGF programme. We have since identified logistics, and the creative sector, as two additional priority sectors in D2N2.

We will publish industry-led sector development plans. These will consider the opportunities for growth offered by each sector and the support that is required to ensure this growth potential is achieved. Issues to be addressed will include:

- Sector-specific skills needs and priorities (see Employment and Skills section)
- Tailored business support services
- Supply chain opportunities and networking
- Cross-LEP linkages and opportunities for international trade
- Connecting business and academic expertise to increase levels of innovation and speed sector growth

Our sector development plans will guide the future deployment of LGF and EUSIF resources available to support growing businesses within the priority and emerging sectors.

International Trade and Investment

We will work with our existing delivery partners to support the development of stronger international trade and investment links, building on existing civic, university and business links. We will seek the support of UKTI to build in-market support in overseas markets, developing closer collaborative ties and ensuring that inward investment and collaboration opportunities flow back to the D2N2 area. For example, Invest in Nottingham has built and is expanding city-to-city links with three overseas regions; Ningbo in China (based around a long established University of Nottingham presence); Punjab State in India (around existing business links) and Karlsruhe in Germany (around civic links).In-market support is vital to create a sustainable platform in those markets – to enable the bridge to be built back to Nottingham. This will then enable inward investment and collaboration opportunities. We are seeking UKTI support in building that in-market support, in line with their new strategy.

Business Growth Fund

The Business Growth Fund will build on the success of existing RGF-funded activity in D2N2 which is due to conclude shortly, using proven mechanisms to ensure successful investments and excellent value for money. The Business Growth Fund will be a flexible fund, linked to the Growth Hub, that will offer incentives to support SMEs and inward investors, particularly in our priority sectors, to make capital investments to accelerate growth, create sustainable employment and enable innovation to enhance competitiveness. We will also sustain visitor economy marketing campaigns linked to our identified key attractor assets to promote increased visitor spend and employment growth within the visitor economy.

Investment to date

4.2 To date, resources available to fund business support activity in D2N2 include approximately £60m of Regional Growth Funding, with an existing D2N2 RGF programme, as well as Derby City and Derbyshire, Nottingham City and Nottinghamshire programmes and a range of projects led by individual businesses across the LEP area. There is also a range of business support projects and programmes operating within and across the D2N2 area delivered by key partners including private sector providers, finance providers, business-led bodies, national delivery agencies, local authorities, and universities. Much of the RGF backed

investment programme will end in March 2015 despite the significant acceleration of investment, job creation and innovation that it has supported. D2N2 will seek to use its LGF backed Business Growth Fund to sustain the benefits of this investment programme through 2015/16 and 2017/18.

Achieving the objective: financial proposal

4.3 The key sources of finance that will be used to support activity under this strategic theme are shown overleaf. Over the six year period between 2015/16 and 2020/21, a total of £138.1m will be drawn from five source (HEIs, ERDF, BIS, LGF and EARDF).

Business Support and Access to Finance: Key Sources of Finance							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
HEIs	10.2	10.2	10.2	10.2	10.2	10.2	60.9
ERDF	4.0	7.1	9.7	9.7	8.4	8.4	47.4
BIS	1.0	1.8	2.4	2.4	2.1	2.1	11.7
LGF	3.0	3.0	3.0	3.0	3.0	3.0	18.0
EAFRD	0.5	0.9	1.3	1.3	1.1	1.1	6.1
Total	**18.6**	**22.9**	**26.6**	**26.6**	**24.7**	**24.7**	**144.1**

Planned Investments

4.4 Investment in D2N2 is planned across four programmes of activity:

- Helping Businesses Benefit from ICT
- Helping Businesses Grow
- Supporting Key Sectors
- Business Growth Fund

4.5 The first three of these will be funded through our EUSIF programme. A summary of these programmes is provided in the table below, with the following tables providing a detailed overview of each programme including the intervention logic for each activity, a summary of the activities that will be undertaken, finance, outcomes and impacts.

4.6 All investments will be coordinated with existing support, or extend the benefits of existing support, to reduce deadweight, enable learning across interventions and enhance the local support offer through joined up support. At this stage, the planned investments retain a degree of flexibility in order to respond to business demand.

4.7 A business case for the use of LGF resources in a Business Growth Fund, is included in a separate annex.

4.8 There is close alignment between this theme and our innovation and low carbon theme, and employment and skills investment.

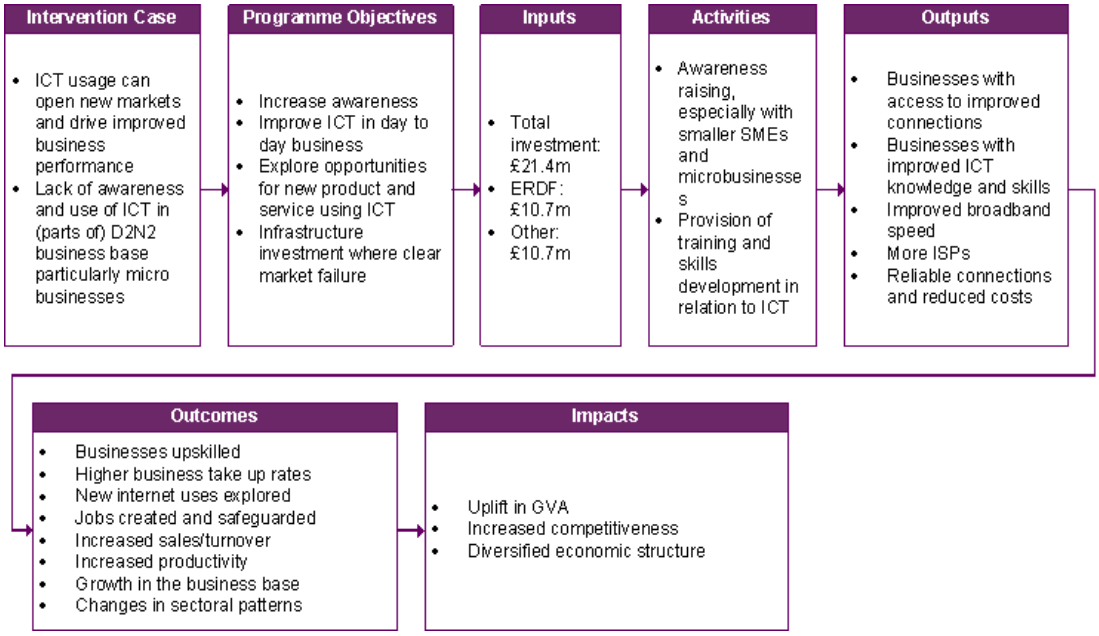
	Programme / Project Name	Start date	End date	Outputs	£ EUSIF	£ LGF	£ Other	£ Total cost
Planned investments (including EUSIF)	Helping Businesses Benefit from ICT	2015/16	2020/21	797 business supported 100 new businesses supported 199 new jobs created	£10.7m		£10.7m	£21.4m
	Helping Businesses Grow (including Growth Hub)	2015/16	2020/21	1,210 business supported 90 new businesses supported 1,074 new jobs created	£29.9m		£29.9m	£59.8m
	Supporting Key Sectors	2015/16	2020/21	303 business supported 23 new businesses supported 268 new jobs created	£7.5m		£7.5m	£15.0m
Schemes requiring Local Growth Fund support	Business Growth Fund	2015/16	2016/17	300 business supported 400 new jobs created		£6m	£24m	£30m

Summary Implementation Framework: Business Support and Access to Finance

Helping Businesses Benefit from ICT

Rationale / intervention logic

Intervention Logic:



Description of activities

The activity supported through our ESIF-funded Helping Businesses Benefit from ICT programme will align with and capitalise on the investment in superfast broadband infrastructure identified as one of our Priority Actions in the SEP.

We will:

- Provide support packages that allow SMEs and social enterprises (particularly microbusinesses and smaller SMEs) to increase their awareness of the local ICT offer (specifically the latest technologies on offer) and how it can benefit their operations;
- Support to help SMEs and social enterprises to build improved ICT connections into their day to day business to improve efficiency/productivity and explore new markets;
- Work with SMEs and social enterprises to explore opportunities for new product and service offers using enhanced ICT networks, knowledge and skills;
- Investment in ICT infrastructure where it can be demonstrated to be required to both address a gap in private sector provision and currently serves as a barrier to SME growth.

Timescales

2015/16 – 2020/21

Total cost:	£21.4m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	1.5	1.7	2.0	2.0	1.9	1.7

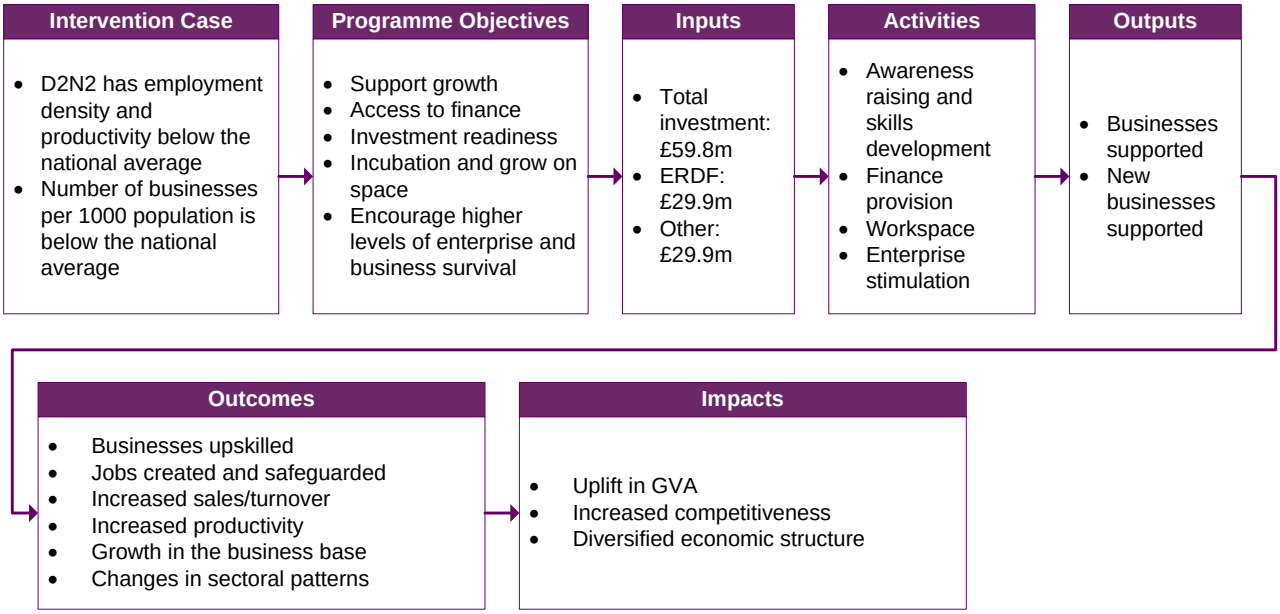
Summary Implementation Framework: Business Support and Access to Finance **Helping Businesses Benefit from ICT**						
Match funding (£m):	1.5	1.7	2.0	2.0	1.9	1.7
Outputs						
No. enterprises supported: 797 No. new enterprises supported: 100 No. jobs created: 199 No. enterprises using ICT: 637 Private match: £8m						
Outcomes						
Businesses supported to improve ICT usage						
Delivery responsibilities						
Applicants / Managing Authority						

Summary Implementation Framework: Business Support and Access to Finance

Helping Businesses Grow

Rationale / intervention logic

Intervention Logic



Description of activities

We will:

- Support enterprise stimulation projects across D2N2 to encourage higher rates of business start-up and survival
- Support companies to enter or develop their presence in new domestic and international markets,
- Support companies to develop and implement business growth strategies, and implement productivity improvement and resource efficiency activities;
- Provide D2N2 businesses with access to a portfolio of access to finance products and deliver an investment readiness programme for SMEs;
- Provide Incubation and Grow On Space where there is evidence of market failure to ensure there is an adequate supply of incubation and grow on space at key locations, especially for high growth potential firms and key sectors. This will include support services where there is market failure.
- Ensure a consistent and coherent business support offer is available across the D2N2 area through the establishment of a Growth Hub, aligning services provided by public, private and third sector providers and providing a single point of contact for businesses, providing expert and tailored advice ranging from enterprise and start-up support, to business improvement and international trade activity.

Timescales

2015/16 – 2020/21

Total cost:	£59.8m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	4.3	4.8	5.5	5.5	5.2	4.7

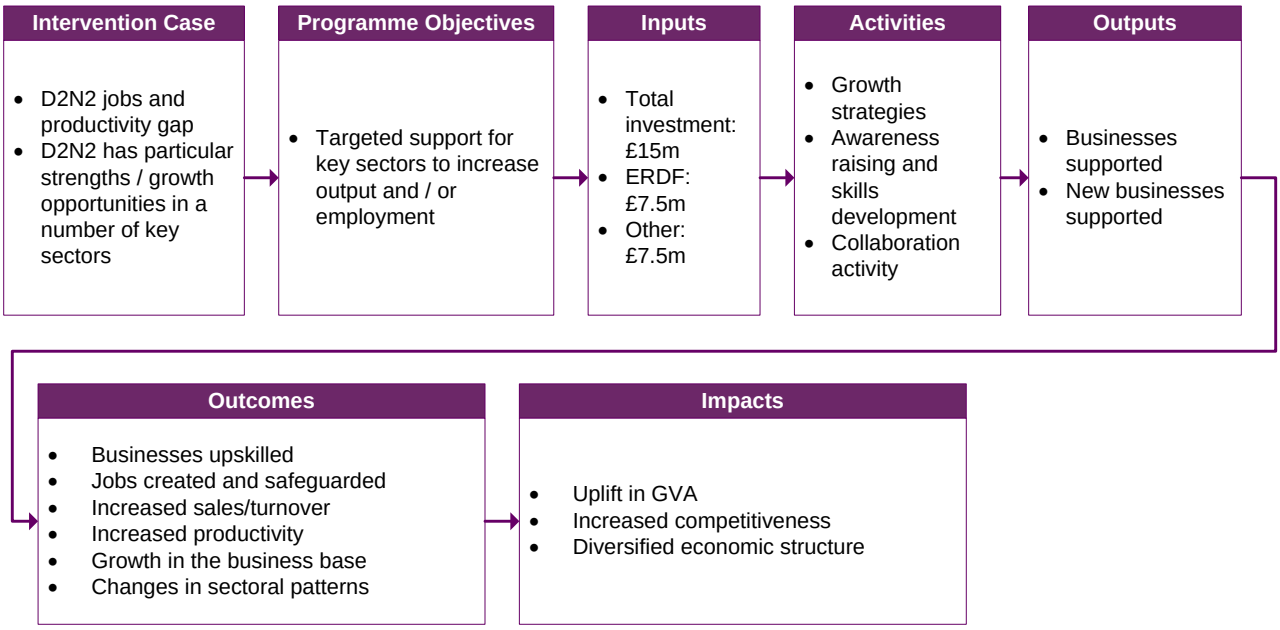
Summary Implementation Framework: Business Support and Access to Finance Helping Businesses Grow						
Match funding (£m):	4.3	4.8	5.5	5.5	5.2	4.7
Outputs						
No. enterprises supported: 1,210 No. new enterprises supported: 90 No. jobs created: 1,074 No. enterprises entering new markets: 121 No. enterprises with new products: 182 Private match: £18m						
Outcomes						
SME jobs Start ups SME productivity						
Delivery responsibilities						
Applicants / Managing Authority						

Summary Implementation Framework: Business Support and Access to Finance

Supporting Key Sectors

Rationale / intervention logic

Intervention Logic:



Description of activities

We will provide a programme of :

- Key sector support targeted at the eight priority sectors and including business growth strategies, design and development of a targeted entrepreneurship programme, network and collaborative business activities. Sector-related skills development and innovation activities will also be funded (through other elements of the EUSIF funding).

Timescales

2015/16 – 2020/21

Total cost:	£15m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	1.1	1.2	1.4	1.4	1.3	1.2

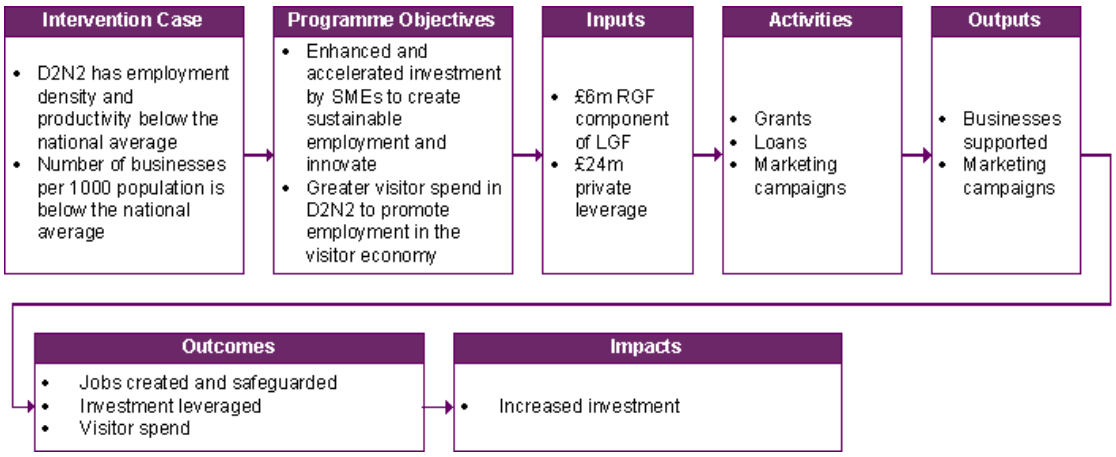
Summary Implementation Framework: Business Support and Access to Finance Supporting Key Sectors						
Match funding (£m):	1.1	1.2	1.4	1.4	1.3	1.2
Outputs						
No. enterprises supported: 303 No. new enterprises supported: 23 No. jobs created: 268 No. enterprises entering new markets: 30 No. enterprises with new products: 45 Private match: £4m						
Outcomes						
SME jobs Start ups SME productivity						
Delivery responsibilities						
Applicants / Managing Authority						

Summary Implementation Framework: Business Support and Access to Finance

Business Growth Fund

Rationale / intervention logic

Intervention Logic:



Description of activities

The Business Growth Fund will build on the success of existing RGF-funded activity in D2N2 which is due to conclude shortly, using proven mechanisms to ensure successful investments and excellent value for money. The Business Growth Fund will be a flexible fund, linked to the Growth Hub, that will offer incentives to support SMEs and inward investors, particularly in our priority sectors, to make capital investments to accelerate growth, create sustainable employment and enable innovation to enhance competitiveness. We will also sustain visitor economy marketing campaigns linked to our identified key attractor assets to promote increased visitor spend and employment growth within the visitor economy.

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Timescales

2015/16 – 2016/7

Total cost:	£6m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
LGF (RGF) (£m):	3	3	0	0	0	0
Match funding (£m):	12	12	0	0	0	0

Outputs

No. enterprises supported: 300

No. jobs created: 400 No. enterprises entering new markets: 100 No. enterprises with new products: 20 Private match: £24m
Outcomes
SME jobs Start ups SME productivity
Delivery responsibilities
Project Proposers / Accountable Body

5 STRATEGIC THEME: INNOVATION

Strategic Objectives

"To support a step change in innovation levels amongst D2N2 companies, and ensure businesses can find out about and access innovation and low carbon support through their preferred route".

D2N2 will increase business competitiveness through investment in innovation, commercialisation, low carbon technologies and new product development in key sectors and high growth companies, exploiting its research strengths and expertise. There are close links between this strategic theme and those relating to business support and employment and skills.

1. **New Ideas**: Promoting the development and exploitation of new business ideas amongst D2N2 companies (large and small) through appropriate expertise, equipment and funding. Quite simply we want to help businesses think differently for instance we want to develop our local supply chains and exploit R&D projects, spin out enterprises and HE collaboration.
2. **Infrastructure:** Ensuring we have the right space to nurture innovation activity. This will include the continued development of our world class innovation infrastructure, facilities and equipment including clusters of activity where appropriate (eg at Infinity Park (Derby), the Innovation Park, Markham Vale and Nottingham EZ (Boots, BioCity, Medipark)) and with key companies.
3. **Capitalising on graduate talent and supporting skills for innovation:** Driving productivity improvements in existing business through FE and HE graduates and stimulating enterprise by encouraging technology start-ups. We will support skills for innovation and increase higher level skills in firms and help attract and retain local talent within the D2N2 area. [Note this objective will be principally funded through the skills strategic theme]
4. **Nurturing our local innovation ecosystem:** By fostering innovation by inspiring like-minded local D2D2 companies to collaborate and access appropriate support available. We will make the most of current networks, intelligence, initiatives, business strengths and assets. Where necessary we will work outside the LEP area developing appropriate national and international links.
5. **Innovation in the low carbon economy:** Investing in low carbon technologies, enhancing energy efficiency for SMEs and promoting business resource efficiency and smart energy communities.

Key Activities

5.1 Whilst partners across the D2N2 area provide a wide variety of innovation and low carbon support, the LEP has identified a number of areas in which further concerted action is required to help us achieve our target of 55,000 additional jobs by 2023.

Smart Specialisation Measures

We have identified six priority sectors. There are two which particularly stand out on the basis of their exceptional strengths in an international context. These include Transport Equipment Manufacturing (Plans, Trains and Automobiles) and Medicine/Bio-science which are very much in tune with our local strengths and current innovation assets and are sufficiently significant to be recognised nationally.

Projects funded in this area will need to consider the six step approach to smart specialisation. Applicants will need to demonstrate:

- A good understanding of sector strengths and assets;
- Credible linkages with local firms;
- Transparent industry led proposals and consultative process;
- Fit with relevant strategies and complementarity with similar projects;
- Clear monitoring and evaluation measures (stage six of the six stage approach).

D2N2 Low Carbon Plan

A draft consultation document for the above was produced in November 2013 identifying measures D2D2 will take to position the area to become the home for future 'green' collar jobs and businesses. D2N2 believes it can have the greatest economic impact by focusing its resources on three specific programme area opportunities:

1. **Smart Energy Communities** to secure, store, offer, and integrate energy services and plan heat, power, waste and transport systems as well as supporting retrofit schemes, local energy supply chains and low carbon jobs.

2. **Low carbon transport technologies** through the creation of a task force to promote various activities from inward investment, to business parks, research, supply chain development and innovation in SMEs, and

3. **Support for SMEs** providing low carbon goods and environmental services to ensure local firms secure a larger market share of this growing sector.

Investment to date

5.2 In a typical year the three universities spend in excess of £92 million on knowledge exchange between the universities and the wider world. This includes collaborative research income, contract research, consultancy contracts, facilities and equipment services and courses for business and communities. In 2012 some £11.2 million of TSB grants were awarded to partners and businesses in the D2N2 area.

5.3 There have been some substantial individual innovation and low carbon related awards too. For instance the University of Nottingham received £14.3m in funding to develop a Synthetic Biology Research Centre which will provide ground breaking sustainable routes to important chemicals. Using funding from the Biotechnology and Biological Sciences Research Council (BBSRC) and the Engineering and Physical Sciences Research Council (EPSRC), the university aims to use bacteria to convert gasses that are all around us (such as carbon monoxide, carbon dioxide and methane) into more desirable and useful molecules, reducing our reliance on petrochemicals.

5.4 There are many current programmes operating across the area. Rolls-Royce and Toyota are leading a support fund to help manufacturing firms in the aerospace industry. Sharing in Growth UK is a new organisation delivering a £110m RGF-backed programme[1] to make the nation's aerospace supply chain more competitive globally. The four-year programme, it is hoped, will create or support 5,000 jobs.

5.5 Other projects include Inspired in Nottingham to encourage graduates to grow their early stage businesses and the Next Business Generation Programme - a pilot programme designed to create more, better quality start ups across the city's three key sectors of clean tech, digital and life sciences. The programme is funded by Nottingham City Council and the Department of Business, Industry and Skills.

[1]Its £110 million budget consists of £50 million from the Government's Regional Growth Fund, £10 million from Rolls-Royce and £50 million from the businesses selected to take part in the programme.

Achieving the objective: financial proposal

5.6 The key sources of finance that will be used to support activity under this strategic theme are shown in the table. Over the six year period between 2015/16 and 2020/21, a total of £466.8m will be drawn from three sources (HEIs, ERDF, and TSB).

Innovation: Key Sources of Finance							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
HEIs	59.8	59.8	59.8	59.8	59.8	59.8	359.0
ERDF	3.5	6.2	8.6	8.6	7.4	7.4	41.8
TSB	11.0	11.0	11.0	11.0	11.0	11.0	66.0
LGF	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	**74.4**	**77.1**	**79.4**	**79.4**	**78.3**	**78.2**	**466.8**

Planned Investments

5.7 Principal activities include:

- A **Smart specialisation and collaborative research programme** between enterprises, research institutions and public institutions. This will create innovation partnerships between enterprises and research institutions and initiatives aimed at commercialisation of innovation in the 'Key Enabling', 'Great Eight', and 'Health-Science' technology fields.

- Support for the **commercialisation and development of new products and business processes.** Key measures include investment in innovation processes within businesses, technology start-ups and spin-outs and SME supply chain development.

- **Investment in the development of innovation space and facilities**, including equipment. The aim is to enhance the capacity of our assets to act as a platform, catalyst and host for innovation and innovative relationships. A focus on our priority sectors will be encouraged;

- **Support for the development, design, manufacturing and deployment of Low Carbon Technologies**. To include knowledge transfer as well as the development and demonstration of new technology.

- **Energy efficiency** for SMEs/communities including industrial processes, designing out waste, recovery of 'waste' heat energy and CHP; helping SMEs/communities to move to renewable and low carbon fuels; building retrofit and energy efficiency; adoption of domestic energy efficiency and low carbon construction techniques. This will be achieved through the development of smart energy communities.

- **Innovative technologies** including support to improve business understanding and use of resource efficiency measures, improvements in resource use planning and knowledge transfer both in relation to technical expertise and practical applications in business and communities.

5.8 All the programmes will be funded through our EUSIF programme. A summary of the programmes appears in the following tables providing a detailed overview of each including the 'intervention logic' for each activity, a summary of the activities that will be undertaken, finance, outcomes and impacts.

5.9 All investments will be co-ordinated with existing support to reduce duplication, enable learning across interventions and enhance the local support offer through joined up support. At this stage, the

planned investments retain a degree of flexibility in order to respond to changing circumstances or new technologies.

5.10 There is close alignment between this theme and our business support and access to finance theme, and employment and skills investment.

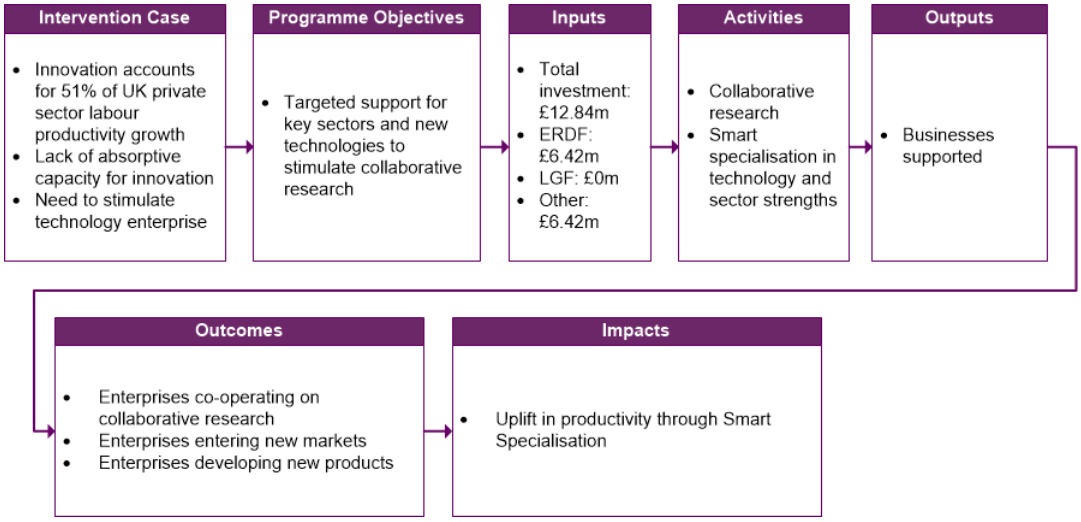
	Programme / Project Name	Start date	End date	Outputs	£ EUSIF	£ LGF	£ Other	£ Total cost
Planned investments (including EUSIF)	Smart Specialisation / Collaborative Research	2015/2016	2020/2021	Ents. Supported: 124; Ents Coop Research 60; Ents New Mark 6; Ents New Prods 12; Ents Private Match £3m	£6.42m		£6.42m	£12.84m
	Commercialisation and Enterprise of New Products and Business Processes	2015/2016	2020/2021	Ents. Supported: 124; Ents Coop Research 60; Ents New Mark 6; Ents New Prods 12; Ents Private Match £3m	£6.42m		£6.42m	£12.84m
	Innovation Infrastructure	2015/2016	2020/2021	Ents. Supported: 165; Ents Coop Research 80; Ents New Mark 8; Ents New Prods 16; Ents Private Match £4M	£8.56		£8.56	£17.2m
	Low Carbon Markets and Technologies	2015/2016	2020/2021	Ents. Supported 947; New Ents. Supp 95; Jobs created 456; Ents Coop Resrch 237; No. Ents New Mark 91; No. Ents New Prods 189.	£10.175m		£10.175m	£20.35m
	Energy Efficiency for SMEs	2015/2016	2020/2021	Ents. Supported 947; New Ents. Supp 95; Jobs created 456; Ents Coop Resrch 237; No. Ents New Mark 91; No. Ents New Prods 189.	£10.175m		£10.175m	£21.5m
	Innovative Technologies: Business Resource Efficiency	2015/2016	2020/2021	Ents supported: 247; Ents New Prod: 25; Ents Res Eff Measures: 185; Site development: 7	£2.65m		£2.65m	£5.3m
Schemes requiring Local Growth Fund support	None at this stage							

Summary Implementation Framework: Innovation and low carbon

Smart specialisation and collaborative research programme

Rationale / intervention logic

Intervention Logic:



Description of activities

We will develop:

- A smart specialisation and collaborative research programme between enterprises, research institutions and public institutions.
- Innovation in systems, processes, products and services.
- Innovation partnerships between enterprises and research institutions and initiatives aimed at commercialisation of innovation in the 'Key Enabling', 'Great Eight', and 'Health-Science' technology fields. Examples of our strengths include three of the eight great technologies - synthetic biology, regenerative medicine and advanced materials. Low carbon vehicles are also an example where considerable activity is underway.

This will build on work undertaken to date for instance through the i nets, city deals, incubators, sector groups, and university research departments.

Timescales

2015/16 – 2020/21

Total cost:	£12.84m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	£0.54	£0.96	£1.32	£1.32	£1.14	£1.14
Match funding (£m):	£0.54	£0.96	£1.32	£1.32	£1.14	£1.14

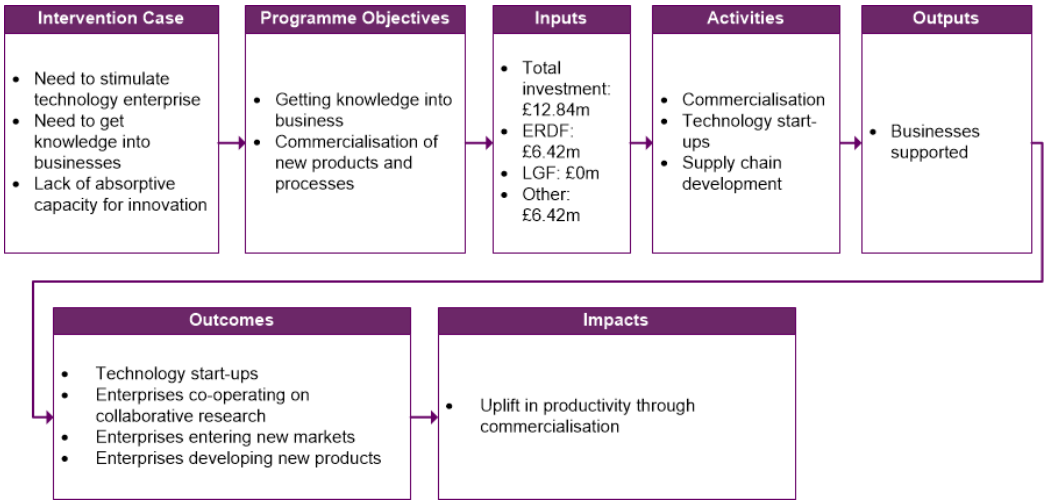
Summary Implementation Framework: Innovation and low carbon **Smart specialisation and collaborative research programme**
Outputs
No. enterprises supported: 124
No. enterprises co-operating on collaborative research: 60
No. enterprises entering new markets: 6
No. enterprises developing new products: 12
Private match: £3m
Outcomes
Smart Specialisation
Number of enterprises developing new products
Delivery responsibilities
Applicants / Managing Authority

Summary Implementation Framework: Innovation and low carbon

Commercialisation of new products and processes

Rationale / intervention logic

Intervention Logic



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Description of activities

We will support:

- Initiatives to help get knowledge into our businesses.
- Initiatives enhancing the demand for new or improved services, processes and products (including 'pro-innovation' procurement policies in the public and private sectors and the NHS).
- Schemes providing practical, financial, and material support for the innovation process within businesses (including support for access to finance and access to markets).
- Schemes stimulating and enabling graduate start-ups and spin-outs from Universities, colleges, and research institutions and technology start-ups in priority sectors. This could include the use of experienced mentors.
- Support for the involvement of SMEs in supply chain competitiveness activities
- Flexible, easy to access knowledge transfer partnerships.

We will build on existing initiatives that have performed well and are easy to scale up – examples include graduate early stage start-up schemes and high quality technology start-ups in priority sectors

Timescales

2015/16 – 2020/21

Total cost:	£12.84m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	£0.54	£0.54	£0.54	£0.54	£0.54	£4.7
Match funding (£m):	£0.54	£0.54	£0.54	£0.54	£0.54	£4.7

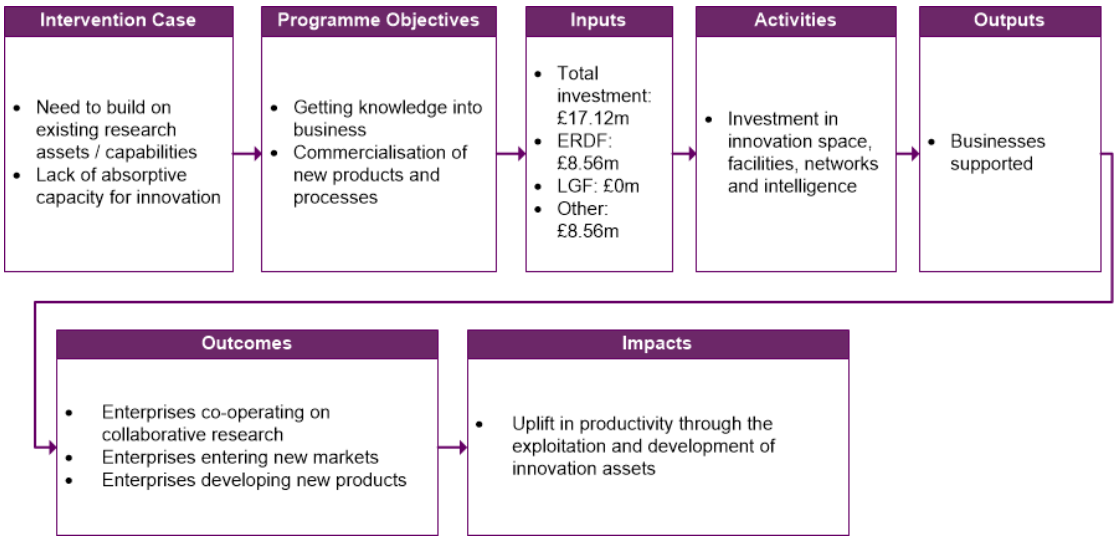
Summary Implementation Framework: Innovation and low carbon **Commercialisation of new products and processes**
Outputs
No. enterprises supported: 124
No. enterprises co-operating on collaborative research: 60
No. enterprises entering new markets: 6
No. enterprises developing new products: 12
Private match: £3m
Outcomes
Smart Specialisation
Number of enterprises developing new products
Delivery responsibilities
Applicants / Managing Authority

Summary Implementation Framework: Innovation and low carbon

Innovation Infrastructure

Rationale / intervention logic

Intervention Logic:



Description of activities

We will provide a programme of support for:

- Investment in the development of innovation space and facilities including equipment,
- Measures to assist infrastructure to serve as a platform, catalyst and host for innovation and innovative relationships including cross sectoral links.
- Further investment in major innovation assets e.g. at Infinity Park (Derby), the Innovation Park, Markham Vale and Nottingham EZ (Boots, BioCity, Medi-Park).
- Innovation networks and intelligence.

Timescales

2015/16 – 2020/21

Total cost:	£17.12m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	£0.72	£1.28	£1.76	£1.76	£1.52	£1.51
Match funding (£m):	£0.72	£1.28	£1.76	£1.76	£1.52	£1.51

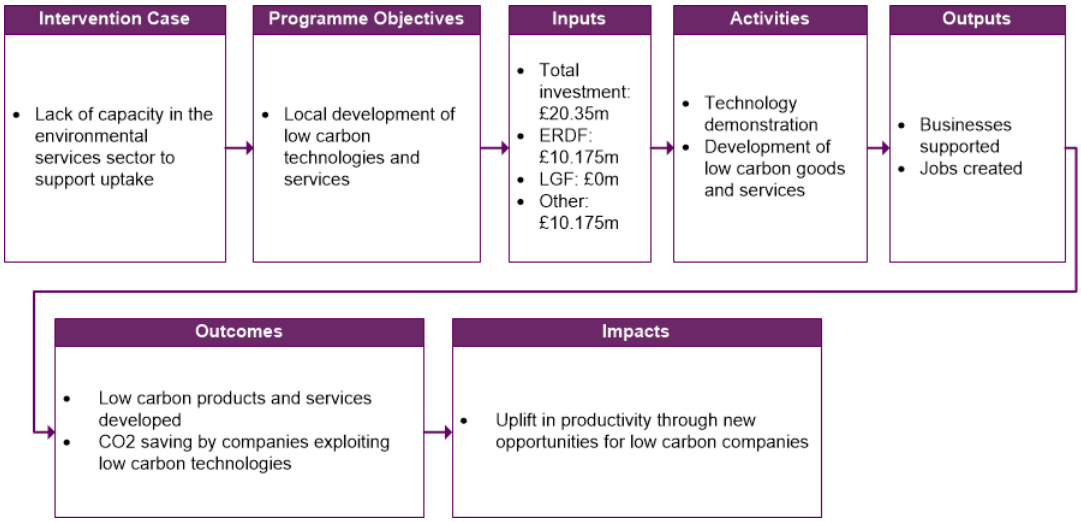
Summary Implementation Framework: Innovation and low carbon **Innovation Infrastructure**
Outputs
No. enterprises supported: 165
No. enterprises co-operating on collaborative research: 80
No. enterprises entering new markets: 8
No. enterprises developing new products: 16
Private match: £4m
Outcomes
Smart Specialisation
Number of enterprises developing new products
Delivery responsibilities
Applicants / Managing Authority

Summary Implementation Framework: Innovation and low carbon

Low Carbon Technologies

Rationale / intervention logic

Intervention Logic:



Description of activities

We will:

- Assist the market to develop, design and manufacture low carbon materials, goods and services focusing on local company strengths.
- Support business to engage in knowledge transfer with HEIs and FEIs to encourage commercialisation of low carbon technologies, including R&D, innovation and supply chain development for low carbon technologies and materials.
- Development of technology centres of excellence, manufacturing clusters and the development of demonstration facilities for local companies and low carbon R&D networking.
- Demonstration and deployment of low carbon technologies where we have particular strengths notably low carbon vehicle technologies and construction.

Timescales

2015/16 – 2020/21

Total cost:	£20.35m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	£0.86	£1.52	£2.09	£2.09	£1.81	£1.80
Match funding (£m):	£0.86	£1.52	£2.09	£2.09	£1.81	£1.80

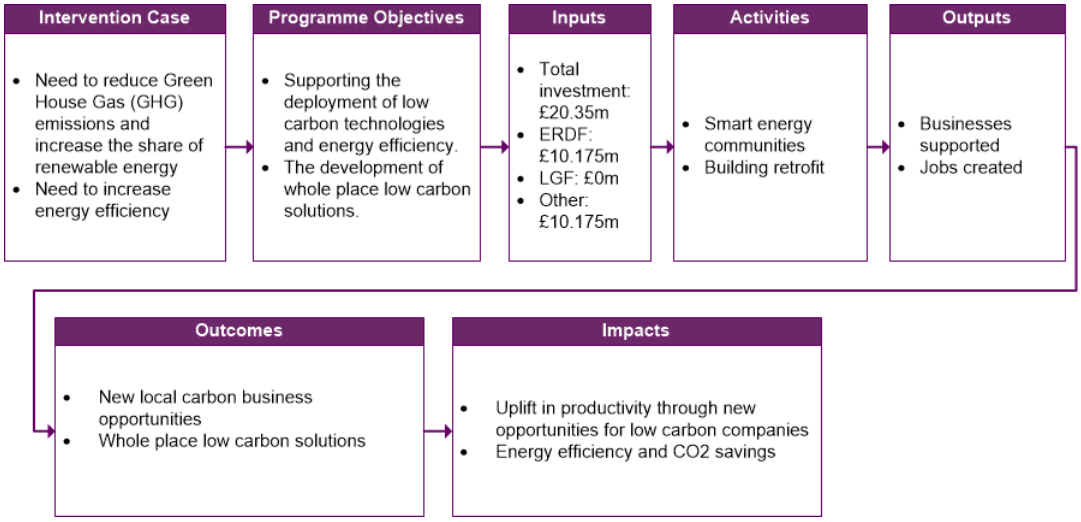
Summary Implementation Framework: Innovation and low carbon **Low Carbon Technologies**
Outputs
No. enterprises supported: 947
New enterprises supported: 95
Jobs created: 456
No. enterprises co-operating on collaborative research: 237
No. enterprises entering new markets: 91
No. enterprises developing new products: 189
Outcomes
Low carbon use amongst SMEs
SME productivity
SME jobs
Delivery responsibilities
Applicants / Managing Authority

Summary Implementation Framework: Innovation and low carbon

Energy Efficiency

Rationale / intervention logic

Intervention Logic:



Description of activities

We will:

- Support the development of whole place low carbon solutions through the plans of the Smart Energy Communities pilots which will showcase how we can generate, save and store energy. This may include the adoption of domestic energy efficiency and low carbon construction techniques, including ultra-low carbon exemplar demonstrator buildings.
- Energy efficiency in enterprises including industrial processes, designing out waste, recovery of 'waste' heat energy and CHP.
- Helping SMEs and communities to move to renewable and low carbon fuels to generate heat and power and supporting local firms to develop and provide support products and services.

Promote building retrofit and energy efficiency, especially whole building solutions exemplifying next phase technologies which are near to market.

Timescales

2015/16 – 2020/21

Total cost:	£20.35m					
Spend profile	***2015/16***	***2015/16***	***2015/16***	***2015/16***	***2015/16***	***2015/16***
ERDF (£m):	£0.86	£1.52	£2.1	£2.1	£1.8	£1.8
Match funding (£m):	£0.86	£1.52	£2.1	£2.1	£1.8	£1.8

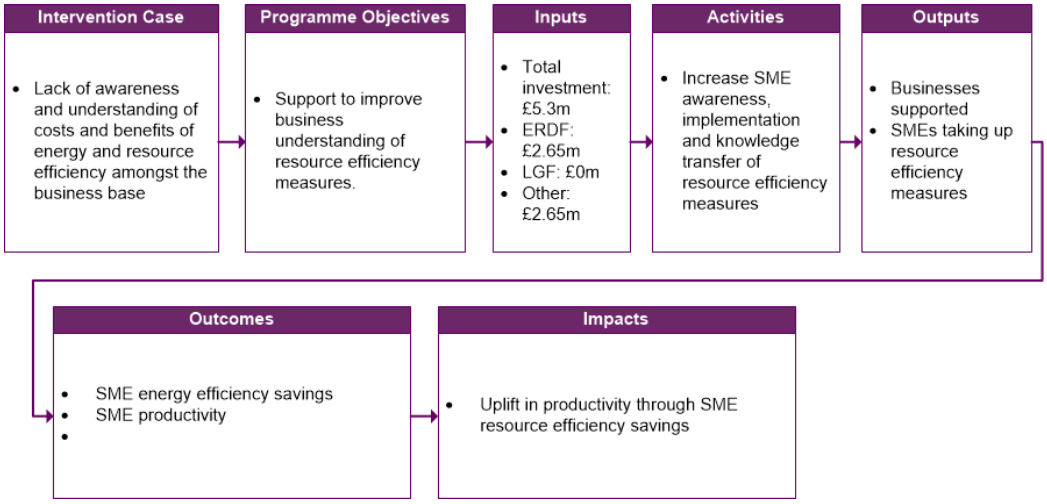
Outputs
No. enterprises supported: 947
New enterprises supported: 95
Jobs created: 456
No. enterprises co-operating on collaborative research: 237
No. enterprises entering new markets: 91
No. enterprises developing new products: 189
Outcomes
Low carbon use amongst SMEs
Delivery responsibilities
Applicants / Managing Authority

Summary Implementation Framework: Innovation and low carbon

Innovative Technologies: Business Resource Efficiency

Rationale / intervention logic

Intervention Logic:



Description of activities

We will support:

- Measures to improve business understanding and use of resource efficiency measures, including (but not limited to) those associated with the innovative use of waste.
- Activities to assess and implement improvements in resource use planning amongst SMEs to establish innovative approaches.
- Support knowledge transfer both in relation to technical expertise and practical applications in business and communities.

Timescales

2015/16 – 2020/21

Total cost:	£5.3m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
ERDF (£m):	£0.22m	£0.40	£0.55	£0.55	£0.47	£0.47
Match funding (£m):	£0.22m	£0.40	£0.55	£0.55	£0.47	£0.47

Summary Implementation Framework: Innovation and low carbon **Innovative Technologies: Business Resource Efficiency**
Outputs
No. enterprises supported: 247
No. enterprises developing new products: 25
No. enterprises taking up resource efficiency measures: 185
Site development: 7
Outcomes
SME energy efficiency savings
SME productivity
Delivery responsibilities
Applicants / Managing Authority

6 STRATEGIC THEME: EMPLOYMENT AND SKILLS

Strategic Objectives

1. Support the development of a more highly skilled and qualified workforce across D2N2 by improving educational attainment, retaining more of our graduates (and attracting back our young people who have studied elsewhere) and increasing levels of workforce training and development.

2. Improve the alignment between the supply of skills in D2N2 and employer demand by making the skills system more responsive, ensuring young people and adults are better informed about skills needs and ensuring all our young people have the opportunity to acquire the skills and aptitudes they need for work.

3. Increase levels of employment by creating jobs and reducing levels of unemployment and inactivity across D2N2, with more focussed support in our more deprived communities.

Key Activities

6.1 Our aim is to ensure that the supply of skills meets employer demand, that businesses in the D2N2 area have the skills they need available to them locally and that our residents are equipped to access the opportunities we create. There are a number of areas where D2N2 can add value to the strategies to reduce unemployment and increase skills levels that are already being delivered at local level, driven by local Employment and Skills Boards. Our Skills and Employment Commission will encourage a robust partnership approach which will share and roll out good practice across the LEP area, filling gaps where they exist. Our key areas of intervention include:

Meeting the Needs of Key Sectors

We are developing Sector Skills Action Plans to shape skills provision within each of our priority sectors and ensure employers have access to the skilled workforce they need to grow and prosper.

D2N2 has established employer-led Consultative Task Groups in each of our eight priority sectors to help shape and develop a sector specific Skills Action Plan. The Task Group stakeholders include employers of all sizes, Sector Skills Councils, membership bodies and providers with a particular knowledge of each sector. The Action Plans and on-going consultation will provide localised labour market information for each sector, inform skills and funding gaps, map existing provision across the D2N2 area, identify barriers faced by employers within the sector to meeting their skills needs and provide solutions for a demand-led skills landscape now and for the future. Working with the local provider base we will then use these plans to commission a programme of sector focused demand led training for both the existing workforce and new employees.

Increase Employability and Enterprise Skills

Our aim is to ensure all young people in D2N2 are informed about enterprise, entrepreneurship, career insights and employability, so that they make better-informed careers choices with an understanding of current and future economic growth in D2N2, and are more aspirational, adaptable and resilient to labour market change.

Whilst existing frameworks and programmes are available, they are not meeting employers' needs for work ready young people, and have little involvement or buy-in from schools. We propose to create a D2N2 Employability Framework for schools covering employability and enterprise. To ensure the D2N2 framework is different, it will be co-designed by groups of young people and employers, supported by stakeholders including schools, parents and service providers which will influence buy in so schools see it as part of their core offer to young people, and it is delivered as part of the mainstream curriculum.

Within the overall D2N2 Framework, developing a local Charter will ensure that local challenges are addressed, while a common framework is adopted across the D2N2 geography.

Alongside the Framework we will look to develop an integrated package of support to schools (which includes work experience), and link each school to a relevant local employer, sourced either through D2N2 or through local initiatives.

To ensure further buy in, through freedoms and flexibilities we are proposing that we become a pilot area for the inspection of employability skills provision within the Ofsted framework for schools.

Reducing Unemployment

While there is a range of provision to support those who are not in work move towards employment, it is disconnected, often working in competition rather than collaboration, there is duplication, it is driven by national policy rather than local need, it sits in isolation from other related policies or interventions delivered at a local level and in some cases is proving to be unsuccessful in addressing the needs of those who have the most significant barriers towards work.

We are seeking to create a seamless pathway from unemployment that removes barriers to progression and connects to real job opportunities that are created. Managed and delivered at a local level, this programme will seek to build upon provision already in place

Through the recent Youth Contract under-spend programme Nottingham City and areas of Derbyshire through the Sheffield City Deal have implemented an intensive model of intervention. It is our aim to build on existing good practice across the D2N2 area by increasing the local accountability of national programmes and commissioning activity which adds value. Where job seekers experience additional barriers such as the cost of transport, we will seek to remove these barriers through the development of specific programmes to address this need.

Increasing Employer Uptake

The research undertaken for our Skills for Growth Strategy demonstrates that there is still a need to make the case to businesses (particularly smaller businesses) for the value of investment in skills; however the marketplace of support is already overcrowded and confusing for the employer. To tackle this problem, we propose to provide an engagement strategy which will drive a step change in employment and skills provision across the D2N2 area. This will result in:

- localised employer and sector demand-led employment and skills provision
- partnership and collaborative working drawing on good and best practice
- joined up and best use of funding to maximise impact
- engagement through a sector specific knowledge-base

The strategy will set out to reach at least 25%-30% of employers, predominantly microbusinesses and SMEs, who are not currently engaged with the skills and employment strategy within the D2N2 area. The strategy will promote an overall D2N2 offer to include career pathways through traineeships and apprenticeships, work placements and work experience, link employers with schools and providers in support of the D2N2 Employability Framework and encourage graduate recruitment and retention – at a sector level. To ensure deliverability, sustainability and collaboration we would look to enhance existing models to provide a proactive, face to face approach to include:

- Apprenticeships, traineeships and work-experience
- Graduate placements and recruitment
- Accessible HR, Finance and Payroll solutions for SMEs
- Collaborative procurement service for SMEs
- Sector specific funded training
- Employment with training
- Access to funding to support Emerging Needs
- Inclusive delivery models to enable the supply chain and SMEs to be able to access training opportunities
- Engage with local schools, academies and providers in support of the D2N2 Employability Framework and Charter

- Supporting careers through the D2N2 Escalator
- Service to engage non-engaged businesses
- Sign-posting to existing services (such as NAS, NCS, JCP, providers)
- A vehicle to assist with the communication and deliverability of Government changes to directly fund employers in relation to apprenticeships

Higher Level Skills Development

D2N2 has identified that access to a highly skilled workforce is critical to its future growth, capacity for innovation and economic resilience.

This will include both the supply of new talent but, in the context of an ageing workforce, it will also include supporting the current workforce to up-skill or re-train. Ability to adapt to a changing workplace, to adopt new technologies and processes and to use more innovative and integrated approaches to solve existing and emergent business issues will be critically important skills in a knowledge economy.

D2N2 will work with its Sector Groups and the HE sector to ensure that appropriate skills based interventions are designed to underpin the ambitions of the LEP's Growth Strategy and Action Plans around innovation, low carbon and business growth. This will cover the following priority areas:

- The supply of work-ready graduates (graduate talent)
- The supply of good quality graduate jobs in the D2N2 SME base to retain graduate talent
- Provision of appropriate advanced CPD, skills updating and retraining opportunities for the current workforce. In particular, higher-level technical skills to build capacity to adopt new technologies. Also, higher level personal and professional skills to build capacity for new ways of thinking and working. Including in sectors where there are skills shortages, staff retention concerns and large scale changes in business practices – "big business challenges".
- Provision of skills development opportunities that encourage companies to collaborate, working and learning together to achieve greater regional impact (including supply chain approaches to higher level skills development).
- Executive management and leadership development including for high-growth SMEs
- New business gestation for student and graduate entrepreneurs
- Development of new employer-led Higher Apprenticeship pathways where an industry standard is identified
- Knowledge Economy Skills – collaborative industry/HE Masters and PhD places to stimulate a research and innovation culture in SMEs
- Supply of higher-level STEM skills (including female talent)

Skills Capital Programme

Working with our partners, we have developed a skills capital programme to improve the quality of our educational infrastructure, inspiring greater employer and individual investment in learning. We have identified our initial priority projects and our indicative requirement for support from the Local Growth Fund. Final support will be subject to the availability of LGF and detailed due diligence on each project.

A key priority for D2N2 LEP is The Nottingham Skills Hub project (integrated FE campus). There is a rapid process of development work taking place to finalise the cost schedule for what will be a transformative, multi-year development and we are keen to ensure that work can begin in 2015/16.

Other initial priorities for 2015/16 include support for the development of a University Centre in Mansfield and a Centre for Higher Level Skills in Chesterfield, giving greater access to Higher Education to residents in those parts of D2N2 where skills levels are below average. We will also support improvements to the Derby College estate, at the Hudson Building in Pride Park (providing training focussed on construction, one of our priority sectors) and Broomfield Hall in

Morley (supporting a range of sectors including agriculture, horticulture and sports science). We will support improved IAG for our young people through the provision of a mobile IAG facility for Burton and South Derbyshire College.

The HS2 Skills College and the New Campus for Basford Hall College, Nottingham are also key priority actions for D2N2 LEP, and are currently progressing without a requirement for resources from the Local Growth Fund.

Investment to date

6.2 As already highlighted, a range of interventions to raise levels of employment and increase skills within the workforce are overseen by the Skills & Employment Commission, led by local Employment and Skills Boards and delivered by a range of partners, which include:

- The private sector, with employers increasingly involved in identifying and articulating skills needs and helping the supply-side to respond and nearly two-thirds of businesses in D2N2 investing in training in the past year.
- The local authorities, focussing on increasing employment within their communities and drivin the agenda locally, and the unitary and County councils with responsibilities for education (pre- and post-16).
- The learning organisations, including schools, FE Colleges, private training providers and HE institutions.
- The voluntary and community sector, delivering at a local level and engaging local communities.
- Business-led bodies including the Chamber, FSB, CBI and sector networks.
- National agencies, including DWP, the Skills Funding Agency and the National Apprenticeship Service.

Achieving the objective: financial proposal

6.3 The key sources of finance that will be used to support activity under this strategic theme are shown in the table:

Employment and Skills: Key Sources of Finance

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
HEIs	18.0	18.0	18.0	18.0	18.0	18.0	108.0
ESF	12.0	16.0	20.0	20.0	20.0	18.9	106.9
FE capital match	24.0	12.8	1.4	0.0	0.0	0.0	38.2
BIG Lottery	1.8	2.4	3.0	3.0	3.0	2.8	16.1
DWP match	2.4	3.2	4.0	4.0	4.0	3.8	21.4
LGF	35.0	24.8	26.0	26.0	26.0	25.7	163.5
Total	**93.2**	**77.2**	**72.4**	**71.0**	**71.0**	**69.2**	**454.2**

Planned investments

6.4 A series of projects have been developed to respond to the D2N2 skills needs of young people, job seekers, employees and employers in D2N2. These are currently being tested with partners and will be refined in conjunction with D2N2's employers. The draft projects are summarised in the table overleaf with further detail provided in the remainder of this section.

6.5 Investment in D2N2 is planned across six broad programmes of activity:

- Meeting the Needs of Key Sectors
- Increase Employability and Enterprise Skills
- Reducing Unemployment
- Increasing Employer Uptake
- Higher Level Skills Development
- Skills Capital Programme

6.6 The first five of these will be funded through our EUSIF programme, including through the SFA and DWP opt-in funding we are currently negotiating. The Skills Capital programme will be funded through the LGF, with our skills partners providing match funding. A summary of these programmes is provided in the table below, with the following tables providing a detailed overview of each programme including the intervention logic for each activity, a summary of the activities that will be undertaken, finance, outcomes and impacts.

6.7 All investments will be coordinated with existing support, or extend the benefits of existing support, to reduce deadweight, enable learning across interventions and enhance the local support offer through joining up activity. At this stage, the planned investments retain a degree of flexibility in order to respond to business and labour market demand.

6.8 Business cases for the use of LGF resources, for our Skills Capital programme, are also included as an annex to this Implementation Plan.

6.9 There is close alignment between this theme and our business support and access to finance theme, and links with our Strategic Investment Packages for infrastructure investment.

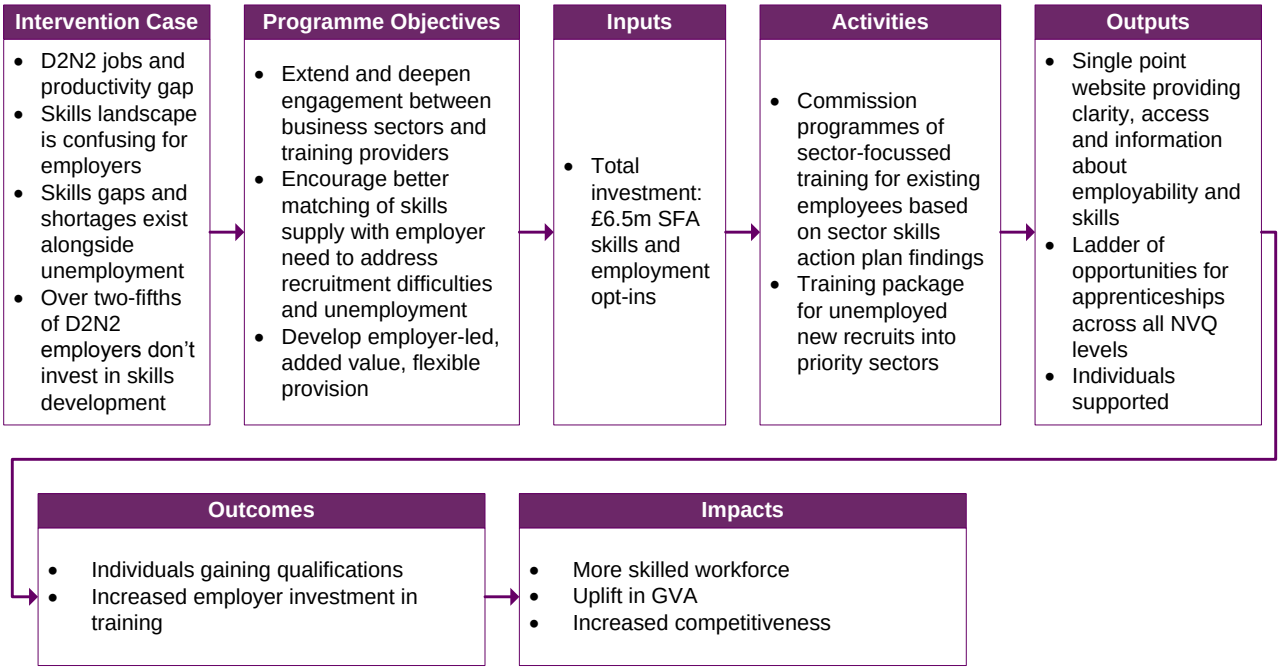
	Programme Name	Start date	End date	Outputs	£ EUSIF	£ LGF	£ Other	£ Total cost
Planned investments (including EUSIF)	1. Meeting the needs of key sectors	Apr 2015	Mar 2019		£6.5m inc opt-in match			£6.5m
	2. Increase employability and enterprise skills	Apr 2015	Mar 2019		£2m inc opt-in match			£2m
	3. Reducing unemployment	Apr 2015	Mar 2019		£9m inc opt-in match			£9m
	4. Increasing employer uptake	Apr 2015	Mar 2019		£6m inc opt-in match			£6m
	5. Higher level skills development (Level 4+)	Apr 2015	Mar 2019		£0.5m inc opt-in match			£0.5m
Schemes requiring Local Growth Fund support	6. Nottingham Skills Hub	2013/14	2017/18	450 jobs 1,462 additional learners per year		£30.0m	£30.0m	£60.0m
	7. Vision University Centre (Mansfield)	Apr 2015	Mar 2016	500 additional HE learners		£2.6m	£5.2m	£7.8m
	8. Chesterfield Centre for Higher Level Skills	Apr 2015	Mar 2018	1,483 additonal higher level learners		£3.46m	£3.48m	£6.965m
	9. Hudson Building, Derby	Apr 2015	Mar 2016	2,000 new students over 3 years		£1.3m	£1.3m	£2.6m
	10. Broomfield Hall, Derbyshire	Apr 2015	Mar 2016	176 new apprenticeship opps per year		£6.0m	£6.0m	£12.0m
	11. Mobile IAG Unit	Apr 2015	Mar 2016	2,240 learners benefiting		£0.03m	£0.03m	£0.06m

Summary Implementation Framework: Employment and Skills

Programme 1: Meeting the Needs of Key Sectors

Rationale / intervention logic

Intervention Logic:



Description of activities

Employed-led Consultative Task Groups in our eight priority sectors will develop sector specific Skills Action Plans, identifying the current position, setting out skills needs and proposing solutions to create a new skills landscape within each sector, tailored to employers' needs. In response and working with our provider base, we will increase engagement between employers and providers, using these plans to commission a programme of sector-focussed demand-led training for both the existing workforce and new employees including:

- Training for existing staff which is tailored to business needs.
- Development of training packages for new recruits who were previously unemployed.

Timescales

Apr 2015 – Mar 2018

Total cost:	£6.5m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
SFA match	2.1m	2.1m	2.3m	0	0	0

Outputs

Single-point website

Individuals supported

Employers supported

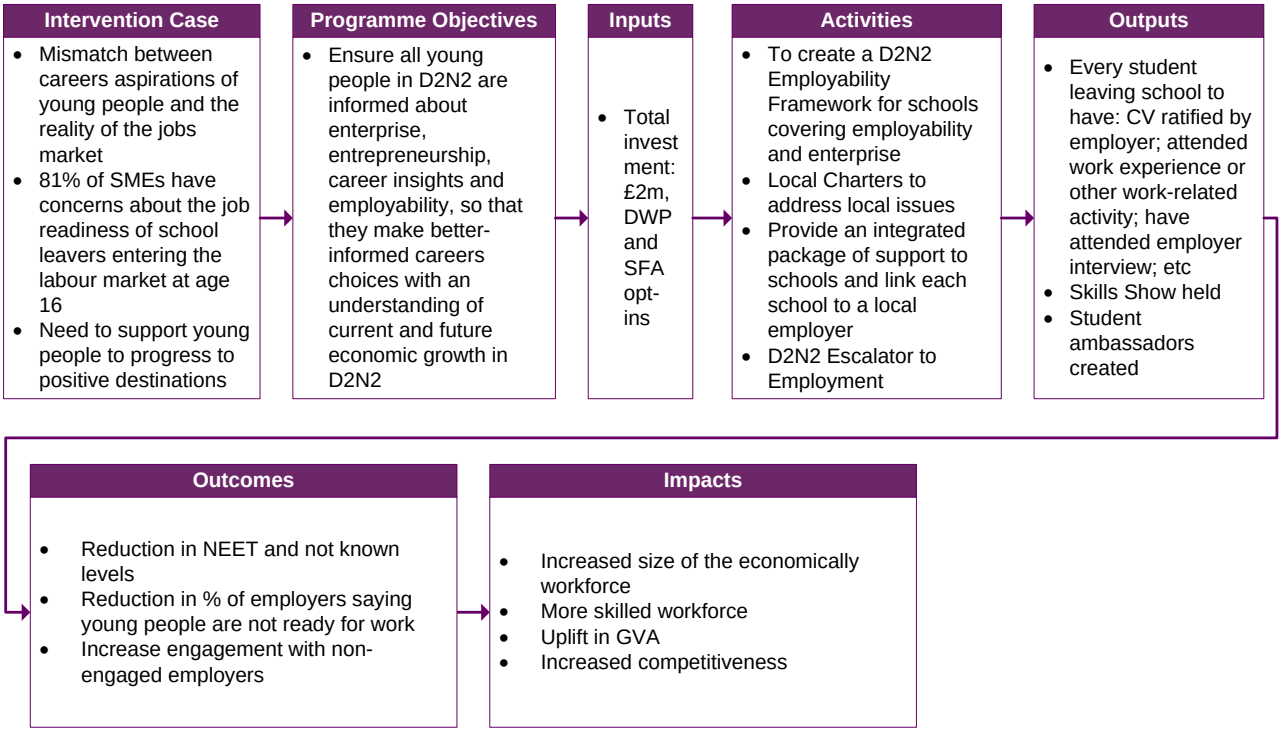
Outcomes
Individuals gaining a qualification
Employer investment in training
Delivery responsibilities
Applicants / Opt-in Providers / Managing Authority

Summary Implementation Framework: Employment and Skills

Programme 2: Increase Employability and Enterprise Skills

Rationale / intervention logic

Intervention Logic:



Description of activities

We will:

Create a D2N2 Employability Framework for schools covering employability and enterprise, co-designed by groups of young people and employers, supported by stakeholders including schools, parents and service providers.

Develop local Charters within the overall D2N2 Framework, to ensure that local challenges are addressed, while a common framework is adopted across the D2N2 geography.

Develop an integrated package of support for schools, including work experience, either through D2N2 or through local initiatives.

Develop a D2N2 Escalator to Employment to ensure a joined up pathway of support to bring people into the labour market.

Provide a range of activities to encourage enterprise and employability amongst our young people, including skills competitions, events, Student Ambassadors, enterprise activities, and a D2N2 Skills Show.

Timescales

Apr 2015 – Mar 2018

Total cost:	£2m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
	0.66m	0.67m	0.67m			

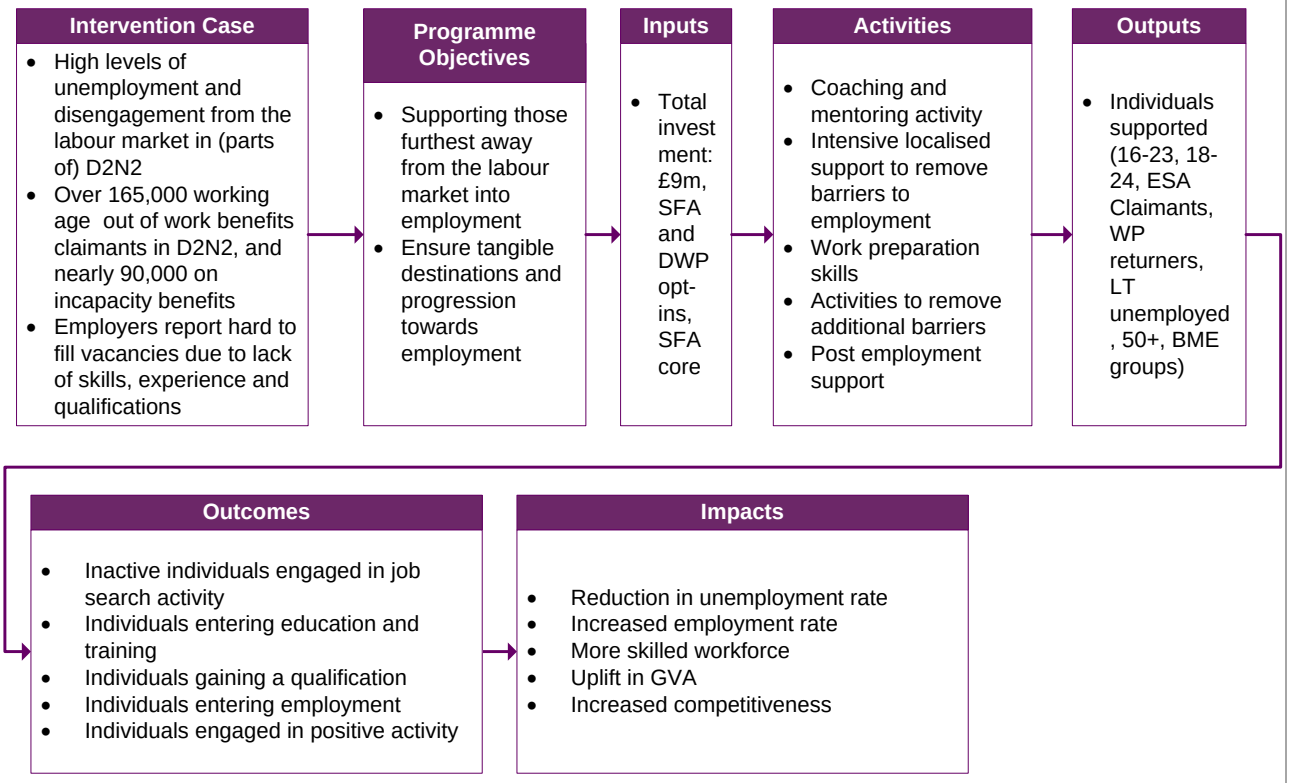
Summary Implementation Framework: Employment and Skills **Programme 2: Increase Employability and Enterprise Skills**
Outputs
Individuals supported
All schools engaged
Outcomes
Reduction in NEET and not known levels
Reduction in % of employers saying young people are not ready for work
Increased engagement with non-engaged employers
Delivery responsibilities
Applicants / Opt-in Providers / Managing Authority

Summary Implementation Framework: Employment and Skills

Programme 3: Reducing Unemployment

Rationale / intervention logic

Intervention Logic:



Description of activities

We will:

- Create a seamless pathway from unemployment into work that removes barriers to progression (including physical barriers such as transport issues) and connects people to the real job opportunities being created.
- Build on existing provision, managing and delivering support at local level
- Increase the local accountability of national programmes and commission activity that adds value
- Delivery of community-led training packages

Timescales

Apr 2015 – Mar 2018

Total cost:	£9m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
	3.0m	3.0m	3.0m			

Outputs

1,500 individuals long-term unemployed aged 18-23 supported

1,000 individuals

Outcomes

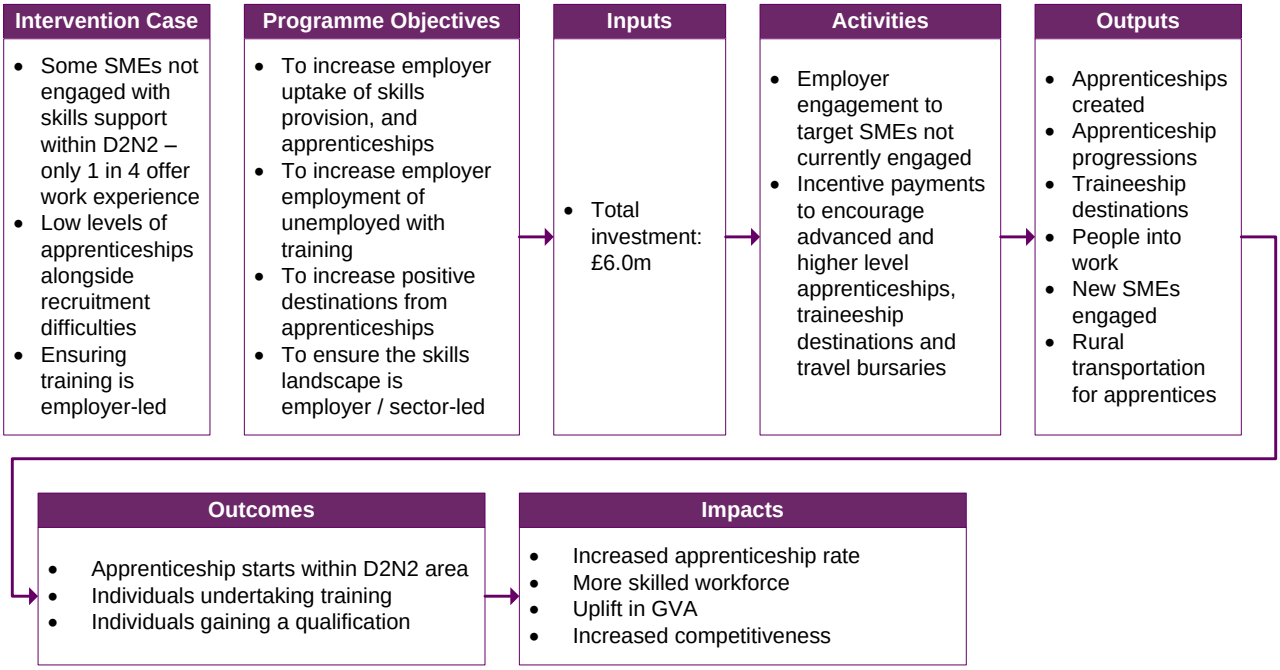
Summary Implementation Framework: Employment and Skills **Programme 3: Reducing Unemployment**
Individuals engaged in job search activity
Individuals entering education and training
Individuals gaining a qualification
Individuals entering employment
Individuals engaged in positive activity
Delivery responsibilities
Applicants / Opt-in Providers / Managing Authority

Summary Implementation Framework: Employment and Skills

Programme 4: Increasing Employer Uptake

Rationale / intervention logic

Intervention Logic:



Description of activities

We will

- Develop an engagement strategy to drive a step change in employment and skills provision across the D2N2 area, reaching out to microbusiness and SMEs who are not currently engaged.
- Provide a proactive face to face approach, enhancing existing models and extending their reach.
- Provide incentive payments for employers to encourage them to create additional apprenticeship places advanced apprenticeships and higher apprenticeships.
- Provide employers with an incentive for rural transportation for apprentices.
- Offer providers an incentive payment for securing positive destinations for 16-18 year old learners, and discretionary travel bursaries.

Timescales

Apr 2015 – Mar 2018

Total cost:	£6.0m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
	2.0	2.0	2.0			

Outputs

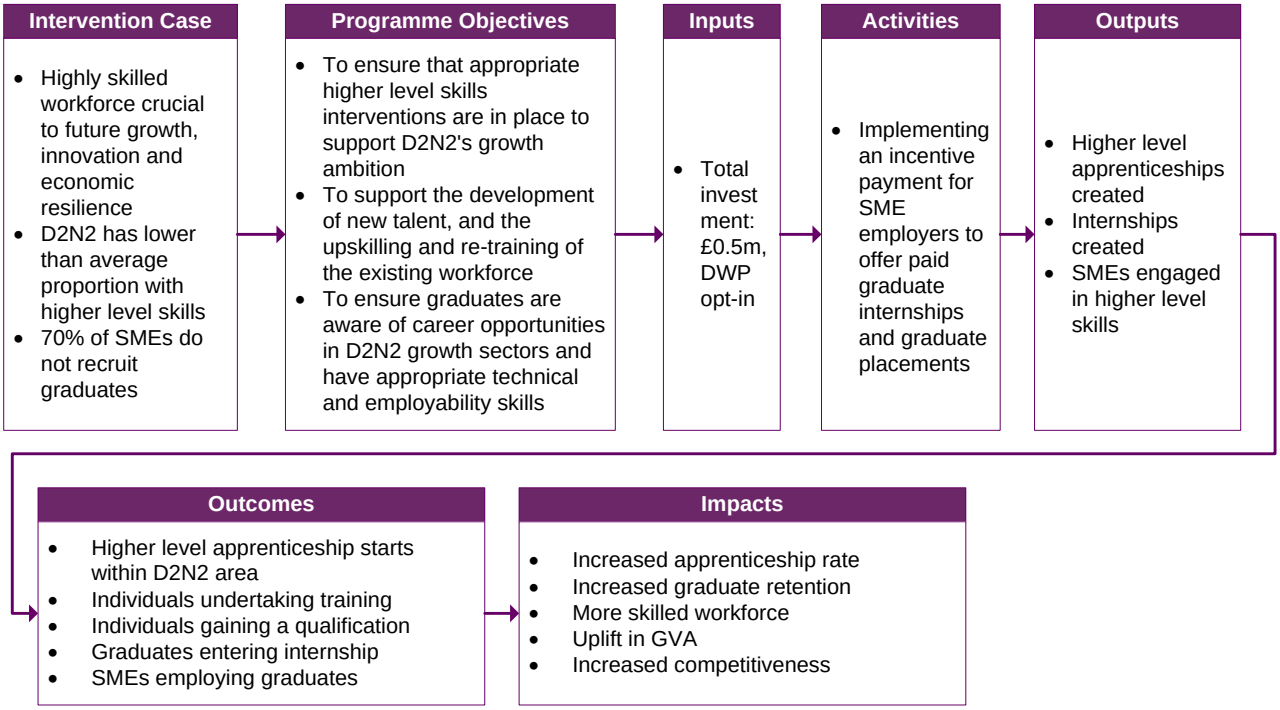
Summary Implementation Framework: Employment and Skills **Programme 4: Increasing Employer Uptake**
1500 unemployed people into jobs
2000 new apprenticeships created
1000 apprenticeship progressions
Rural transport support for 500 apprentices
1000 traineeship destinations
New SMEs engaged
Outcomes
Apprenticeship starts within D2N2 area
Individuals undertaking training
Individuals gaining a qualification
Delivery responsibilities
Applicants / Opt-in Providers / Managing Authority

Summary Implementation Framework: Employment and Skills

Programme 5: Higher Level Skills Development

Rationale / intervention logic

Intervention Logic:



Description of activities

We will:

- Work with our sector groups and HE sector to design appropriate higher level skills interventions
- Encourage graduate internships and higher levels of graduate recruitment by SMEs
- Develop Higher Apprenticeships pathways and encourage greater levels of take up
- Encourage industry / HE collaborations to transfer knowledge and stimulate innovation
- Provide CPD and advanced skills training for the current workforce

Timescales

Apr 2015 – Mar 2018

Total cost:	£0.5m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
	0.2	0.2	0.1			

Outputs

400 Graduate placements / internship projects

Outcomes

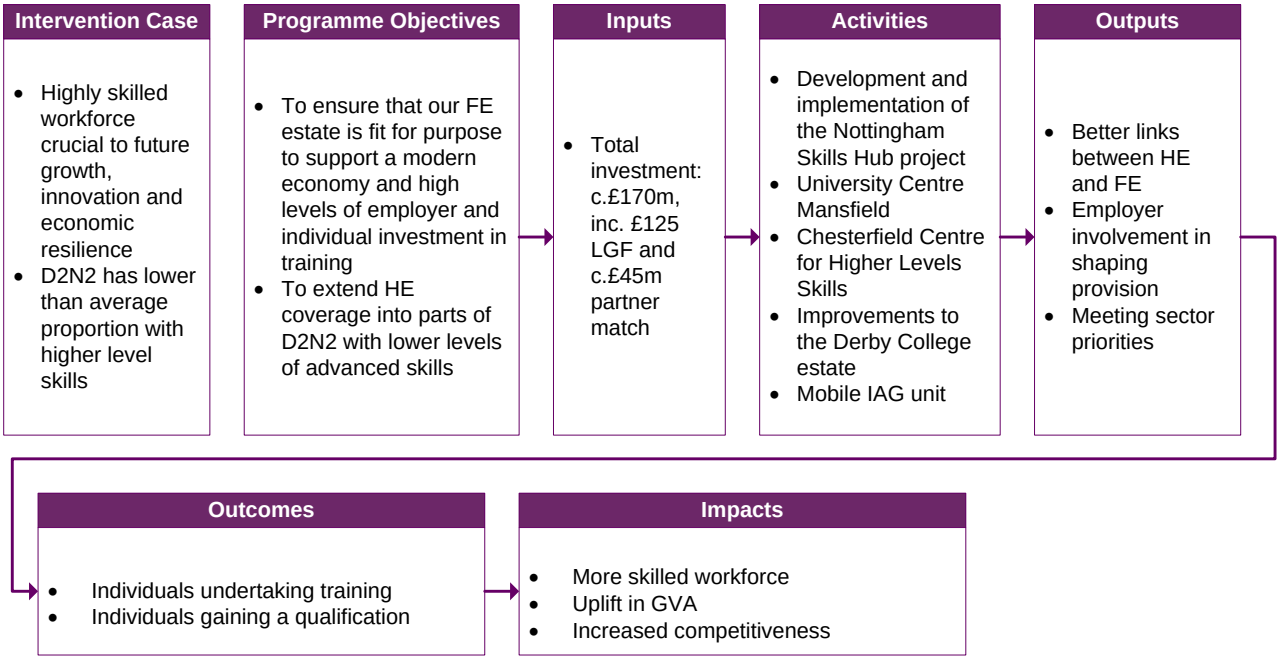
Summary Implementation Framework: Employment and Skills **Programme 5: Higher Level Skills Development**
Higher level apprenticeship starts within D2N2 area
Individuals undertaking training
Individuals gaining a qualification
Graduates entering internship
SMEs employing graduates
Delivery responsibilities
Applicants / Opt-in Providers / Managing Authority

Summary Implementation Framework: Employment and Skills

Programme 6: Skills Capital Programme

Rationale / intervention logic

Intervention Logic:



Description of activities

Our skills capital programme will improve the quality of our educational infrastructure, inspiring higher levels of employer and individual investment in learning.

2015/16 projects include:

- Development and initial implementation of the Nottingham Skills Hub project (integrated FE campus), a key skills priority for D2N2 LEP. There is a rapid process of development work taking place to finalise the cost schedule for what will be a transformative, multi-year development and we are keen to ensure that work can begin in 2015/16.
- Developing University Centres in Chesterfield and Mansfield, areas within D2N2 that have fewer residents holding higher level skills than the LEP average
- Improvements to the Derby College estate, at the Hudson Building in Pride Park (providing training focussed on construction, one of our priority sectors) and Broomfield Hall in Morley (supporting a range of sectors include agriculture, horticulture and sports science).
- Supporting improved IAG for our young people through the provision of a mobile IAG facility for Burton and South Derbyshire College.

Timescales

Apr 2015 – Mar 2021

Total cost:	£170m					
Spend profile	***2015/16***	***2016/17***	***2017/18***	***2018/19***	***2019/20***	***2020+***
LGF	21.5	22.1	20.0	20.0	20.0	20.0
Partner cont.	22.3	22.3	n/k	n/k	n/k	n/k

Summary Implementation Framework: Employment and Skills **Programme 6: Skills Capital Programme**
Outputs
450 new jobs Over 2000 learners benefiting from enhanced IAG 200 additional higher level learners
Outcomes
Delivery responsibilities
Project Proposers / Accountable Body

7 STRATEGIC THEME: INFRASTRUCTURE FOR ECONOMIC GROWTH

Strategic Objectives

1. Support and unlock the creation of new jobs through delivery of our employment growth areas. Interventions will target access constraints, flood risk and utility provision to maximise the attractiveness of each site to new and expanding businesses, particularly to growing businesses in our priority sectors.

2. Accelerate completion of new housing to support growth in Derby, Greater Nottingham and our main towns, to meet growing population demand and to provide the labour market to meet the needs of our growing economy. Interventions will focus on multi-modal solutions to encourage sustainable travel and mitigate the effects of additional travel in our faster-growing areas.

3. Provide efficient and resilient transport networks to maintain and improve connectivity within D2N2 and to wider UK and international markets, to support the competitiveness of our businesses, unlock city growth, address people's accessibility needs and enhance the quality of our places.

4. Provide a high quality of life, within our cities, towns and rural areas, to support our offer to potential investors and attract higher-skilled workers to the D2N2 area.

Key Activities

7.1 We have developed a series of Strategic Investment Packages that provide the framework for our investment in economic infrastructure in the D2N2 area. These comprise a number of complementary measures that will, collectively, unlock transformational growth in our cities and towns. These have been specifically designed to unlock new jobs, help accelerate housing delivery and improve our connectivity and resilience, and provide the framework for a step-change in infrastructure planning and delivery across the D2N2 area. Our headline economic infrastructure schemes are details in the Executive Summary to the Implementation Plan and our long list of schemes is appended.

7.2 Our Strategic Investment Packages are focused on our primary locations for growth within the D2N2 area: our two cities and their surrounding areas, the larger urban areas of mid/north Nottinghamshire and North Derbyshire, Newark and the more rural Peak area. This will ensure a balance in growth and unlock the full potential of our area. In addition, we propose to work with partners on strategic connectivity priorities across the East Midlands (including HS2), we have identified an immediate priority for improvements to the Midland Mainline and will undertake more detailed work to assess longer-term connectivity issues within our growing cities.

7.3 The Packages will be instrumental in helping to unlock new sites and floorspace for innovation activity and growing businesses in our key sectors, including the Bioscience sector in Nottingham and advanced manufacturing in Derby. The Packages also strongly support key activities within our Employment and Skills programme, with programmes to improve accessibility to job opportunities for those who are currently out of work, including sustainable accessibility programmes in Greater Nottingham, Derby, Mansfield, Worksop and Chesterfield.

7.4 We have a strong focus on identifying and prioritising those interventions that will be most effective at unlocking growth in the D2N2 area. We developed a robust process for the identification, prioritisation and programming of projects, which is described in Appendix 2.

7.5 The Packages are described in detail on Pages 76 to 92 of this chapter. In addition, we have identified a series of 'headline examples' of projects within each Package. Business cases for these headline examples are provided in an annex to this Implementation Plan.

Investment to date

7.6 Partners in the D2N2 area have a highly successful track record in the delivery of economic infrastructure to support growth. Nottingham is currently delivering a transformational change programme, including Phase 2 of Nottingham Express Transit, the Nottingham Hub and improvements to the City's Ring Road, while at the same time the Highways Agency is constructing the 'missing' dual carriageway link on the A453 from the city to the M1. Derby has a successful track record with its cycling programme and integrated transport projects are being delivered across the region.

7.7 D2N2 partners have been working together for a considerable period of time to develop their transport funding priorities. Priorities for investment under the 'formulaic' element of LGF funding were considered by the Local Transport Board during Spring / Summer 2013, and the projects identified as priorities by the LTB form a key part of our programmes within our Strategic Investment Packages. These committed LTB schemes are shown below.

Existing Committed LTB Schemes (£ million)			**2015/16 LGF Spend**	**2016/17 LGF Spend**	**Post 2016/17 LGF Spend**
Scheme	**Total Cost (outturn) £m**	**LGF Ask £m**			
A52 Wyvern - Pride Park Congestion Management, Derby	10.04	6.7	0.0	3.4	3.4
Southern Growth Corridor, Nottingham	9.18	6.12	0.0	0.0	6.1
Gedling Access Road, Greater Nottingham	32.4	10.8	0.0	0.0	10.8
A61 Whittington Moor Roundabout, North Eastern Derbyshire	4.86	3.24	3.2	0.0	0.0
A57/A60 Junction, Worksop, North Nottinghamshire	3.24	1.83	0.9	0.9	0.0
Seymour Link, Markham Vale, North Eastern Derbyshire	7.56	2.52	2.5	0.0	0.0
Total Programmed Spend	**67.28**	**31.21**	**6.7**	**4.3**	**20.3**

7.8 We are now building on these foundations to plan the delivery of our transformational investment programme across the D2N2 area.

Achieving the objective: financial proposal

7.9 The key sources of finance that we will use to support activity under this Strategic Theme are shown in the table below.

Infrastructure for Economic Growth: Key Sources of Finance (£m)							
	2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**
HEIs	4.4	4.4	4.4	4.4	4.4	4.4	26.2
ERDF	1.3	2.2	3.1	3.1	2.6	2.6	14.9
Local Authorities	81.6	81.6	81.6	81.6	81.6	81.6	489.6
HCA	16.8	16.8	16.8	16.8	16.8	16.8	100.5
LGF	110.7	96.7	64.8	64.8	64.8	64.8	466.6
Total	**214.7**	**201.6**	**170.6**	**170.6**	**170.2**	**170.1**	**1,097.8**

7.10 One of the key principles of our approach is to use our funding to secure high levels of private sector leverage in economic infrastructure projects. This will work in two ways: firstly, using funding to complement

developer contributions (S106 Agreements etc) in cases where gaps in infrastructure funding are constraining the delivery of critical development, and secondly, capturing the benefits of private sector investment in strategic development. Through our approach, we have been able to target LGF investment at a number of strategic locations for growth, which will unlock significant employment and housing growth and deliver strong value from our investment.

Planned investments (from 2015/16 onwards)

7.11 We have identified an ambitious but deliverable programme of investments, which will commence on the ground in 2015/16 and will deliver strong outcomes when completed. This programme is described in the context of our Strategic Investment Packages.

Our Strategic Investment Packages

7.12 The following sections describe our Strategic Investment Packages. These are focused on the following geographical areas, ensuring a very strong focus on delivery of strategic employment and housing growth, and focused intervention on specific connectivity and infrastructure challenges. This also ensures strong integration with employment and skills programmes in each area, together with specific sector and innovation priorities, particularly in Nottingham and Derby. Our Packages are as follows:

- Growing Greater Nottingham;
- Growing the wider Derby area;
- Sustained growth and new housing in Mansfield, Ashfield and North Nottinghamshire;
- Sustained growth and new housing in North Eastern Derbyshire;
- Accelerating housing and employment growth in Newark; and
- Peak world class destination.

7.13 In addition, we will work together with partners on shared connectivity priorities across the East Midlands (including planning for HS2) and we have identified Midland Mainline connectivity as a shared priority.

7.14 For each of the Strategic Investment Packages on the following pages, we have identified headline spend and outputs, the case for intervention, the headlines of our programme and how Local Growth Fund investment will unlock additional growth that would not otherwise occur.

7.15 The interventions within each area have been subject to a robust process of prioritisation, using the Treasury Five Cases Framework, to ensure that each element has a clear rationale, outputs and outcomes are clearly defined, and there is a realistic delivery programme. This has helped to ensure that we are in a strong position to deliver an ambitious programme, both in 2015/16 and over the medium term to 2020/21.

Strategic Investment Package: Growing Greater Nottingham

Headlines

Table 7.1: Growing Greater Nottingham			
Total Project Value (£m):	**£358.0**	**LGF Request (£m):***	**£148.1**
Public Match Investment (£m):	**£169.4**	**Private Investment (£m):**	**£441.5**
Jobs unlocked:	**7,900**		
Housing unlocked:	**4,600**	**Leverage:**	**3.0**
GVA unlocked (£m):	**£318.0**	**VFM (GVA / £LGF)**	**2.1**

* Competitive element of LGF, in additional to formulaic element allocated by Local Transport Board.

7.16 Growing Greater Nottingham is a multi-year integrated investment programme that will build on the economic vitality of the Core City of Nottingham with a coherent package of economic infrastructure investments that will accelerate the delivery of new jobs and homes. It includes a balanced portfolio of projects to unlock strategic housing and employment allocations, including the Creative Quarter, Southside and Nottingham Enterprise Zone. It will also build on the excellent track record of the conurbation in shifting patterns of travel to create the conditions for growth, including a Cycle Ambition Project and transport programmes focused on our growth corridors and areas, and will also include focused measures to improve resilience.

The case for intervention

7.17 Greater Nottingham is a critical economic driver, within D2N2, the wider East Midlands and the UK economy. The SEP highlights some of the key growth opportunities in the city, including:

- A Core City with large growth potential in key sectors including Creative, Biosciences and Professional Services, with strong demand for quality floor space;
- A high-performing city centre with planned retail expansion, and planned wider transformational change in city centre and southern growth corridor;
- Fast-growing population with large-scale housing development in surrounding districts; and
- Current investment programme (A453 widening, NET Phase 2, Nottingham Station) will transform connectivity and make the area economically attractive to investors.

7.18 However, there are also significant challenges to unlocking the latent growth potential of the city:

- Long journey times to London and other Core Cities, impacting on the competitiveness of the city (note: this issue is addressed under the Midland Mainline Strategic Investment Package, see below);
- Serious problems of traffic congestion, impacting on the ability to unlock growth and connectivity within conurbation;
- Infrastructure constraints to unlocking priority development areas in the city centre and housing development across conurbation; and
- Extensive deprivation across many parts of the urban area, which, in many cases, lie close proximity to opportunities (for example, St Anns and The Meadows, which lie adjacent to the Creative Quarter and Southside).

Description of Package

Strategic Package: Growing Greater Nottingham

This Strategic Package is focused on the city centre as a key engine of economic growth, the city's strategic east-west corridor and key employment and housing sites across the conurbation.

- Nottingham City Centre – focused on infrastructure to unlock strategic extensions of the city centre. This includes Southside, which will enable expansion of the Broad Marsh shopping centre and wider transformation of the south side of the city centre, expansion of our Creative Quarter, including Biocity and the strategic Island site on the south east corner, and place-making on the north side of the city centre.
- Our strategic east-west growth corridor: we will invest to support mixed use regeneration of the Waterside area in the east of the city and provide infrastructure to unlock the full potential of our Enterprise Zone on the western side. All of these investments will be complemented by our Southern Growth Corridor (existing LTB scheme), transforming connectivity on the primary east-west axis through the city. Further investments will be made to unlock our potential, including our Cycling Ambition Package and the LSTF programme to improve connections between opportunity and need.
- Strategic growth priorities across the wider Greater Nottingham area, including unlocking key employment sites at Gedling (existing LTB scheme) and Teal Close in Colwick, and Beeston Business Park (part of our Enterprise Zone), all of which have strong synergies with the city's Southern Growth Corridor. We propose packages to unlock housing and employment growth in Hucknall (including facilitating expansion at Rolls Royce), Gamston to the south-east edge and at key sites along our A46 Growth Corridor.

Headline Examples

7.19 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended business cases for a sample of the most significant projects, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan. These include the Cycle City Ambition Package, Southside Transport Strategy, EZ Transport Package, Bioscience Incubator, Greater Nottingham town centres, development at the Rolls Royce site at Hucknall and the A46 Growth Corridor in Rushcliffe.

Impacts and Value for Money

7.20 Our analyses demonstrate that the proposed investment programme will deliver very strong value for money, with up to 24,000 jobs and 14,000 homes unlocked, over the longer term, through the investment programme. We forecast that almost 8,000 jobs and 4,500 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £320 million GVA will be added to the economy of the conurbation (on the basis of an average £40,000 per worker). This offers strong value for money from the proposed £148 million LGF investment.

Delivery

7.21 Partners in Nottingham and Nottinghamshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.22 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Teal Close Sustainable Transport Package	3.00	1.50	1.5	0.0	0.0
Nottingham Cycle Ambition Package	9.30	6.10	3.0	3.1	0.0
Rolls Royce, Hucknall	25.38	5.81	5.8	0.0	0.0
A46 Corridor Projects	13.70	5.50	4.0	1.5	0.0
Highway Resilience and Drainage	12.00	6.00	2.0	2.0	2.0
Supporting sustainable access to work, skills and training programme	3.50	1.00	1.0	0.0	0.0
Nottingham Southside Transport Strategy	13.00	10.40	3.0	3.7	3.7
River Leen Flood Alleviation	2.70	1.00	1.0	0.0	0.0
Newton Site Link Widening	1.00	0.67	0.7	0.0	0.0
Beeston Business Park	39.05	4.75	1.0	1.8	2.0
Nottingham LAPP Sites	12.00	6.00	2.0	2.0	2.0
Hucknall Town Centre Improvement	14.40	2.00	2.0	0.0	0.0
Daybrook Flood Alleviation Scheme	2.40	1.00	1.0	0.0	0.0
Congestion management/capacity improvements (Hucknall)	5.30	2.65	1.0	1.7	0.0
Sust. transport measures to help town centres and support growth	20.50	14.50	2.9	2.9	8.7
Notts Strategic Route Maintenance	5.25	3.00	0.5	0.5	2.0
Glaisdale Drive Business Start up Hub	3.00	1.50	1.5	0.0	0.0
Nottingham Bioscience Expansion	25.50	6.50	5.5	1.0	0.0
Nottingham Southside Growth Corridor (local contribution)	9.18	3.06	0.0	1.5	1.5
Island Site / Waterside Transport Strategy	12.00	9.60	0.0	3.2	6.4
Hucknall sustainable travel improvements	1.00	0.50	0.0	0.5	0.0
Nottm EZ Sustainable Transport Package	10.00	8.00	0.0	4.0	4.0
Gedling Access Road (additional funding)	32.40	10.40	0.0	5.4	5.0
Nottingham Ring Road Major Phase 2	8.90	7.00	0.0	3.5	3.5
Basford Hall Employment Hub	10.50	5.45	0.0	5.5	0.0
Creative Quarter Capital Programme	20.00	10.00	0.0	2.5	7.5
Stanton Tip Development Site Integrated Transport Package	2.00	1.50	0.0	0.0	1.5
A52 Junction Improvements, Rushcliffe	30.00	3.75	0.0	0.0	3.8
Nottingham Inner Ring Road Strategy	8.00	6.00	0.0	0.0	6.0
Nottingham Smart City	3.00	3.00	0.0	0.0	3.0
Total: Growing Greater Nottingham Package	**358.0**	**148.1**	**39.4**	**46.2**	**62.6**

(Note: competitive element only: this excludes the formulaic element of funding in the committed LTB programme, which is shown on Page 74).

Strategic Investment Package: Growing the Wider Derby Area

Headlines

Table 7.2: Growing the Wider Derby Area			
Total Project Value (£m):	**£698.2**	**LGF Request (£m):***	**£124.8**
Public Match Investment (£m):	**£156.0**	**Private Investment (£m):**	**£365.9**
Jobs unlocked:	**6,000**		
Housing unlocked:	**3,600**	**Leverage:**	**2.9**
GVA unlocked (£m):	**£241.0**	**VFM (GVA / £LGF)**	**1.9**

* Competitive element of LGF, in additional to formulaic element allocated by Local Transport Board.

7.23 Growing the Wider Derby Area is a multi-year integrated investment programme that will build on the economic vitality of the Key City of Derby and surrounding Districts with a coherent package of economic infrastructure investments to accelerate the delivery of homes and jobs. It includes a balanced portfolio of projects to unlock strategic employment and housing allocations (including Infinity Park), a major flood defence project to unlock the potential for growth of the strategic River Derwent Corridor, and targeted sustainable travel and integrated transport interventions to help create the underlying conditions for growth in the area.

The case for intervention

7.24 Derby is a critical economic driver, within D2N2, the wider East Midlands and the UK economy. The SEP highlights some of the key growth opportunities in the area, including:

- A Key City with large growth potential with key focus on advanced transport manufacturing and strong demand for new floor space and sites;
- Opportunity to improve the city centre experience and connections with the Derwent Valley World Heritage Site; and
- A fast-growing population with large-scale housing growth in Derby and South Derbyshire.

7.25 However, there are also significant challenges to unlocking the latent growth potential of the city:

- Several parts of the city centre give a poor visitor experience. Major flood risk is also impacting on resilience and constraining growth;
- Significant infrastructure investment is required to unlock key sites in Derby including Infinity Park and housing sites across the wider Derby area; and
- Infrastructure is required to unlock regeneration of key sites in Amber Valley, Erewash and South Derbyshire.

Description of Package

Strategic Package: Growing the wider Derby area

Focused on four distinct programme geographies determined by the locations of key housing, employment and wider regeneration opportunities.

- Derby City Centre – the Vibrant City programme includes infrastructure to deliver the acceleration and increased competitiveness of strategic sites including Castleward, Friar Gate, and the central business district through infrastructure to improve accessibility, wider connectivity (strategic transport networks and faster broadband), and quality of place to ensure that we create and maintain the conditions for growth in the city.

- Southern Derby Area – this programme focuses on enabling key employment sites including access to Pride Park (existing LTB scheme), Infinity Park and the delivery of significant housing growth in Derby and the urban extensions within Derbyshire. Targeted investment for Southern Derby Integrated Transport Links and site specific interventions such as Osmaston Regeneration, supported by local accessibility and strategic connectivity interventions will bring these forward by focusing on opening-up access to these sites.
- Derwent Corridor (from Matlock, through Derby City to Shardlow) – programme includes Our City Our River, the strategic flood defence project that facilitates the unlocking of housing and employment sites and makes a significant contribution to the future competitiveness and long term resilience of the whole city, complemented by sustainable connectivity interventions and growth of the visitor economy through the Super Connected Cycling project along the Derwent Valley World Heritage site.
- Strategic growth opportunities in wider Derbyshire – includes infrastructure targeted specifically at unlocking key regeneration sites including land north of Denby, access to Drakelow Park, decontamination of Stanton Ironworks and construction of the Woodville – Swadlincote Regeneration Route.

Headline Examples

7.26 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended business cases for a sample of the most significant projects, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan. These include 'Our City Our River', Infinity Park, the South Derby LSTF Project, City centre integrated transport connectivity, South Derby Connections for Growth, Woodville Swadlincote Regeneration Route and the Drakelow Park Development.

Impacts and Value for Money

7.27 Our analyses demonstrate that the proposed investment programme will deliver very strong value for money, with up to 18,000 jobs and 11,000 homes unlocked, over the longer term, through the investment programme. We forecast that almost 6,000 jobs and 3,600 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £240 million GVA will be added to the economy of the conurbation (on the basis of an average £40,000 per worker). This offers strong value for money from the proposed £125 million LGF investment.

Delivery

7.28 Partners in Derby and Derbyshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.29 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Our City Our River programme	100.0	10.0	2.0	2.0	6.0
South Derby LSTF Package	8.0	6.0	1.0	1.0	4.0
North of Denby	4.6	3.6	1.5	2.1	0.0
Derby Highway Resilience	4.5	3.6	0.6	0.6	2.4
Drakelow Park	10.8	8.6	3.0	5.6	0.0
Osmaston Regeneration	64.0	1.0	1.0	0.0	0.0
Friar Gate Regeneration Programme	63.0	2.5	0.3	1.0	1.2
City Centre Placemaking	16.5	3.0	1.0	1.0	1.0
Infinity Park Derby	134.2	6.7	2.5	2.2	2.0
City Centre Integrated Transport Connectivity Package	13.7	11.4	1.9	1.9	7.6
Woodville Swadlincote Regen. Route	8.0	6.4	2.5	0.0	3.9
Castleward Delivery	80.0	3.0	3.0	0.0	0.0
Derbyshire Highway Resilience	6.7	5.3	0.7	0.7	4.0
Stanton Ironworks Decontamination	6.2	6.2	3.1	3.1	0.0
A52 Connectivity and Resilience	2.2	2.2	0.3	1.0	0.9
Connected Cycle City	5.0	3.5	0.2	1.5	1.9
Combined City Centre Strategic Sites	113.0	5.0	1.8	3.3	0.0
Connected Cycle City (South Derby)	5.0	4.5	0.3	1.5	2.8
South Derby Connections for Growth	23.6	11.8	0.0	0.0	11.8
Ripley Codnor Regeneration Scheme	15.0	12.0	0.0	0.0	12.0
Super Connected Cycling (Derwent)	10.0	5.0	0.1	0.1	4.8
Ilkeston Gateway	4.4	3.5	0.0	0.3	3.2
Total: Growing Wider Derby Area	**698.2**	**124.8**	**26.6**	**28.8**	**69.5**

(Note: competitive element only: this excludes the formulaic element of funding in committed LTB programme, which is shown on Page 74).

Strategic Investment Package: Sustained growth and new housing in Mansfield, Ashfield and North Nottinghamshire

Headlines

Table 7.3: Sustained growth and new housing in Mansfield, Ashfield and North Nottinghamshire			
Total Project Value (£m):	**£164.9**	**LGF Request (£m):***	**£53.5**
Public Match Investment (£m):	**£12.6**	**Private Investment (£m):**	**£99.1**
Jobs unlocked:	**2,500**		
Housing unlocked:	**1,300**	**Leverage:**	**1.9**
GVA unlocked (£m):	**£100.0**	**VFM (GVA / £LGF)**	**1.9**

* Competitive element of LGF, in additional to formulaic element allocated by Local Transport Board.

7.30 'Sustained growth and new housing in Mansfield, Ashfield and North Nottinghamshire' is an integrated investment programme to unlock capacity for growth and accelerate the delivery of new homes and jobs. It includes a balanced portfolio of projects to unlock strategic employment and housing allocations (including an urban extension in Mansfield, the A57 Growth Corridor in Worksop and regeneration of Harworth / Bircotes) and a programme of sustainable travel measures and pinch point schemes on our key strategic corridors.

The case for intervention

7.31 The Mansfield / Ashfield area is one of the largest urban areas in the East Midlands. Whilst it has a number of strategic assets, it has been underperforming and suffers high levels of deprivation. Northern Nottinghamshire includes attractive rural areas but has targeted growth and regeneration needs in Worksop (focused on the A57 Growth Corridor) and Harworth / Bircotes.

7.32 The SEP highlights some of the key growth opportunities in the area, including:

- There is excellent north-south connectivity via the M1, A1 and ECML;
- Mansfield / Ashfield is a major urban area with untapped latent potential, Worksop is a key economic centre and Retford is an attractive market town; and
- The area has attractive rural areas, with the opportunity to further develop the visitor economy, building on key assets such as Sherwood Forest and Cresswell Crags.

7.33 However, there are also significant challenges to unlocking the latent growth potential of the area:

- There are serious challenges of economic underperformance, poor quality of place and deprivation in Mansfield / Ashfield. However, there is also strong demand for both new housing and employment floorspace;
- There is a need for regeneration of former coalfield sites (e.g. Harworth/Bircotes) and infrastructure to unlock improved employment opportunities in Worksop; and
- There are numerous connectivity constraints, including broadband coldspots in rural areas, pinchpoints on the road network and no rail services in the middle of the area.

Description of Package

Strategic Package: Sustained growth and new housing in Mansfield / Ashfield and North Nottinghamshire

Focused on unlocking strategic employment, regeneration and housing sites to transform growth prospects in

Mansfield, Ashfield and northern Nottinghamshire.

- Mansfield / Ashfield – focused on unlocking strategic employment sites along the A617 Mansfield / Ashfield Regeneration Route (MARR), together with new housing at key sites. This includes sustainable travel measures focused on key corridors to create headroom for growth, pinch point improvements at key junctions and site access improvements.
- Worksop and Harworth / Bircotes: a programme of sustainable travel measures and targeted junction improvements to unlock capacity for mixed housing and employment in Worksop (including existing committed A57/A60 LTB scheme) and large-scale employment development at Harworth/Bircotes.

Headline Examples

7.34 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended business cases for a sample of the most significant projects, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan. These include the Lindhurst development south of Mansfield, strategic corridor access improvements in Mansfield and improvements to the Ollerton Roundabout at the junction of the A614 and A616 strategic corridors in the area.

Impacts and Value for Money

7.35 Our analyses demonstrate that the proposed investment programme will deliver very strong value for money, with up to 7,500 jobs and 4,000 homes unlocked, over the longer term, through the investment programme. We forecast that almost 2,500 jobs and 1,300 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £100 million GVA will be added to the economy of the area (on the basis of an average £40,000 per worker). This offers strong value for money from the proposed £54 million LGF investment.

Delivery

7.36 Partners in Nottinghamshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.37 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Strategic corridor access improvements, Mansfield	2.5	1.2	0.3	0.3	0.6
Congestion Management for Growth, Mansfield	2.5	0.6	0.6	0.0	0.0
Mansfield & Worksop LSTF project - LGF capital match funding	1.6	0.3	0.3	0.0	0.0
Lindhurst Development, Mansfield	30.0	5.0	5.0	0.0	0.0
A1/A614 junction, Harworth	4.4	1.1	1.1	0.0	0.0
Harworth Junction and Network Efficiency Improvements	9.7	2.8	0.7	0.7	1.4
A614/ Bawtry Road/Blyth Road junction, Harworth	1.5	0.4	0.4	0.0	0.0
Harworth Town Centre Sustainable Access Package	7.8	2.2	1.6	0.6	0.0
Sustainable Access Improvements	2.6	1.0	0.3	0.3	0.5
Blyth Rd/Scrooby Rd/Tickhill Rd/Main Street Junction	1.5	0.4	0.4	0.0	0.0
Worksop junction and network efficiency improvements.	13.5	3.8	0.9	0.9	1.9
Mansfield Sustainable Access Improvements	7.5	5.8	5.8	0.0	0.0
Notts Strategic Route Maintenance (mid Notts)	5.3	3.0	0.5	0.5	2.0
Notts Strategic Route Maintenance (north Notts	5.3	3.0	0.5	0.5	2.0
Sustainable transport access improvements – Worksop	6.0	4.5	1.1	1.1	2.3
Ashfield Liveability Town Centre Improvements	51.4	12.4	3.0	3.0	6.4
Harworth North Sustainable access package	4.3	0.9	0.0	0.9	0.0
Mansfield Town Centre Improvements	3.0	1.5	0.0	0.5	1.0
Ollerton Village Roundabout Improvement	4.8	3.8	0.0	0.0	3.8
Total: Mansfield, Ashfield and North Nottinghamshire	**164.9**	**53.5**	**22.4**	**9.4**	**21.7**

(Note: competitive element only: this excludes the formulaic element of funding in committed LTB programme, which is shown on Page 74).

Strategic Investment Package: Sustained growth and new housing in North Eastern Derbyshire

Headlines

Table 7.4: Sustained growth and new housing in North Eastern Derbyshire			
Total Project Value (£m):	£82.6	**LGF Request (£m):***	£51.9
Public Match Investment (£m):	£6.2	**Private Investment (£m):**	£26.4
Jobs unlocked:	2,200		
Housing unlocked:	1,400	**Leverage:**	0.5
GVA unlocked (£m):	£88.0	**VFM (GVA / £LGF)**	1.7

* Competitive element of LGF, in additional to formulaic element allocated by Local Transport Board.

7.38 'Sustained growth and new housing in North Eastern Derbyshire' is an integrated investment programme that will unlock capacity for growth in this area through a package of investments to accelerate the delivery of new jobs and homes. It includes a portfolio of projects to transform Chesterfield town centre, including access to the Chesterfield Waterfront development area, key sites along the A61 Growth Corridor and measures to unlock key sites to the east of Chesterfield.

The case for intervention

7.39 North East Derbyshire is a major economic asset to the D2N2 area, benefiting from strong linkages with Sheffield City Region, with strong opportunities to deliver both housing and employment growth. There are, however, significant regeneration challenges, including remediation of former industrial sites.

7.40 The SEP highlights some of the key growth opportunities in the area, including:

- A significant urban area with strong economic linkages with the Sheffield City Region, and strong linkages with the Peak area and attractive rural areas;
- The mixed-use regeneration of Chesterfield Waterside offers the opportunity to deliver transformational change in the town; and
- Markham Vale Enterprise Zone, on the eastern edge of Chesterfield and immediately adjacent to the M1, offers a simplified planning regime and innovative funding opportunities to attract new investors.

7.41 However, there are also significant challenges to unlocking growth in the area:

- There is a need to improve the performance of Chesterfield town centre as a key sub-regional centre for the local economy; and
- There is a need for remediation of legacy industrial sites to unlock significant employment and housing growth in brownfield areas.

Description of Package

Strategic Package: Sustained growth and new housing in North Eastern Derbyshire

Focused on improving connectivity and tackling other infrastructure risks to unlock and accelerate new employment land at strategic sites in Chesterfield and along the A61 Growth Corridor.

- A programme of measures including the (existing LTB committed) Seymour Link at Markham Vale, a package of improvements to Chesterfield town centre, and flood management measures on the River Rother to unlock

development land. The existing committed LTB scheme on the A61 at Whittington Moor will tackle a specific pinchpoint, whilst the wider A61 Growth Corridor between Chesterfield and Clay Cross will unlock key strategic sites, including redevelopment of The Avenue site.

- Consideration would be given to further infrastructure projects to unlock new housing and employment land in the area to the east of Chesterfield, including the Chesterfield Staveley Regeneration Route, and, in future, access to Shirebrook.

Headline Examples

7.42 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended business cases for a sample of the most significant projects, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan. These include the Chesterfield Town Centre Package (which will help unlock the flagship Chesterfield Waterside Project) and the A61 Growth Corridor.

Impacts and Value for Money

7.43 Our analyses demonstrate that the proposed investment programme will deliver very strong value for money, with up to 6,600 jobs and 4,300 homes unlocked, over the longer term, through the investment programme. We forecast that almost 2,200 jobs and 1,400 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £88 million GVA will be added to the economy of the area (on the basis of an average £40,000 per worker). This offers strong value for money from the proposed £52 million LGF investment.

Delivery

7.44 Partners in Derbyshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.45 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
River Rother Catchment Flood Management Measures	1.5	1.2	0.5	0.7	0.0
Chesterfield Town Centre Package	20.1	11.2	0.5	0.5	10.2
A61 Growth Corridor	16.0	12.8	0.8	0.0	12.0
Derbyshire Highway Resilience	6.7	5.3	0.7	0.7	4.0
Chesterfield Staveley Regen. Route	34.0	17.0	0.0	0.0	17.0
Improvements to Castle Estate, Bolsover	4.4	4.4	0.0	0.0	4.4
Total: North Eastern Derbyshire	**82.6**	**51.9**	**2.5**	**1.9**	**47.6**

(Note: competitive element only: this excludes the formulaic element of funding in committed LTB programme, which is shown on Page 74).

Strategic Investment Package: Accelerating housing and employment growth in Newark

Headlines

Table 7.5: Accelerating housing and employment growth in Newark			
Total Project Value (£m):	**£47.5**	**LGF Request (£m):***	**£14.3**
Public Match Investment (£m):	**£8.0**	**Private Investment (£m):**	**£25.2**
Jobs unlocked:	**900**		
Housing unlocked:	**1,500**	**Leverage:**	**1.8**
GVA unlocked (£m):	**£38.0**	**VFM (GVA / £LGF)**	**2.7**

7.46 The programme for Accelerating housing and employment growth in Newark is focused on the delivery of new transport infrastructure and complementary measures to unlock strategic urban extensions to this fast-growing town. It includes the provision of the Newark Southern Link Road, to unlock the Newark South urban extension, a package of pinch point improvements on the county and trunk road network, a programme of sustainable travel measures to promote mode shift and unlock headroom for growth, and improvements to rail services between Lincoln and Nottingham.

The case for intervention

7.47 The SEP highlights some of the key growth opportunities in the area, including its attractiveness as an historic market town, with strong linkages to other areas, building on its excellent transport connections. The recent dualling of the A46 has dramatically improved road connections to Nottingham, and good north-south road links are also provided via the A1. The town benefits from its East Coast Main Line services to London and the north, which results in very strong housing demand.

7.48 There are, however, a number of challenges to be met. There are significant pinchpoints on the road network, particularly at the junctions of the A46 Newark Bypass (operated by the Highways Agency) and within the town itself, which are severely constraining capacity for growth. The A617 connects the town to Mansfield and the M1, but the route passes through a number of villages, with congestion problems. The town also has poor rail services to Nottingham, with slow journeys and low frequencies, which results in high car dependency for many journeys.

Description of Package

Strategic Package: Accelerating housing and employment growth in Newark

Focused on improving connectivity to unlock and accelerate growth in Newark, building on strong housing demand in this area.

- A programme of sustainable travel measures to create headroom for growth at key sites in Newark South, Newark East and Balderton (to the south east), supported by targeted pinch point improvements on the road network in and around the town. There will also be phased construction of the Newark Southern Link Road, which will provide access to the Newark South growth area and which is critical to Newark's future growth.
- Lincoln – Newark – Nottingham rail corridor: working with East Midlands Trains (and Greater Lincolnshire LEP) to increase train frequencies on this corridor, improving connectivity and supporting a shift to travel by train on this key regional corridor, which will also support growth in the town.

Headline Examples

7.49 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended the business case for the most

significant project, the Newark Southern Link Road, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan.

Impacts and Value for Money

7.50 Our analyses demonstrate that the proposed investment programme will deliver very strong value for money, with up to 2,900 jobs and 4,700 homes unlocked, over the longer term, through the investment programme. We forecast that almost 900 jobs and 1,500 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £38 million GVA will be added to the economy of the area (on the basis of an average £40,000 per worker). This offers strong value for money from the proposed £14 million LGF investment.

Delivery

7.51 Partners in Nottinghamshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.52 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Newark Southern Link Road	26.25	7.00	7.0	0.0	0.0
Nottingham - Newark - Lincoln rail service enhancement	2.10	0.53	0.5	0.0	0.0
Newark Pinch point improvements package	4.50	2.25	1.1	1.1	0.0
Newark South sustainable access package	0.50	0.25	0.1	0.1	0.0
Newark East sustainable access package	0.50	0.25	0.1	0.1	0.0
Notts Strategic Route Maintenance	5.25	3.00	0.5	0.5	2.0
Newark (A1, A46) Trunk road junction imp'ments	8.40	1.05	0.0	0.0	1.1
Total: Accelerating housing and employment growth in Newark	**47.5**	**14.3**	**9.4**	**1.9**	**3.1**

Strategic Investment Package: Peak World Class Destination

Headlines

Table 7.6: Peak World Class Destination			
Total Project Value (£m):	**£48.3**	**LGF Request (£m):***	**£21.9**
Public Match Investment (£m):	**£2.4**	**Private Investment (£m):**	**£21.9**
Jobs unlocked:	**500**		
Housing unlocked:	**300**	**Leverage:**	**1.0**
GVA unlocked (£m):	**£20.0**	**VFM (GVA / £LGF)**	**0.9**

7.53 The programme for Peak World Class Destination is focused on supporting the development and growth of the key towns in the Peak area. It includes the Buxton Spa Town project, which will improve public realm to support the town's objective to become the UK's leading Spa town, improvements to public realm in our other towns, schemes to unlock key development sites in Ashbourne, Matlock, Bakewell and Buxton, and a new station near Glossop.

The case for intervention

7.54 The SEP highlights some of the key growth opportunities in the area. These include our world class natural environment and offer for the visitor economy, with strong functional links with surrounding cities, in which we offer high quality housing and recreation opportunities for these other areas. Our key towns play important roles as local centres and act as the focus for local growth, including Ashbourne, Matlock, Bakewell, Buxton, New Mills and Glossop. Although much of the area is rural, it also has an important manufacturing base, particularly towards the north, including the food and drink sector.

7.55 However, the area faces a number of major challenges. These include poor Transpennine connectivity, both road and rail, with congestion and delays on the A6 and A628 routes into Greater Manchester, which also impacts on the Greater Manchester economy. There are broadband coldspots in our rural areas, which hamper the growth of SMEs, both in terms of coverage and slow speeds. We need to improve the quality of place in our key towns, to enable them to meet their roles as gateways to the area and support growth in our visitor economy. The delivery of new housing and jobs in our key towns is also hampered by infrastructure constraints, including site access issues.

Description of Package

Strategic Package: Peak District World Class Destination

Focused on supporting the distinctive role of the Peak District, with the highest quality natural landscapes, enhancing visitor experience and supporting growth in key towns to strengthen economic diversity and meet housing need.

- A range of measures to unlock new housing and employment sites in Ashbourne, Matlock, Bakewell and Buxton, focused on site remediation or access improvements. Programmes of measures to improve public realm and enhance visitor experience in the towns as key gateways to the Peak, and development of the case to support transformation of Buxton as one of England's leading spa towns.

Headline Examples

7.56 We have produced individual business cases, which has formed the basis for prioritisation and programming of projects within the Strategic Package. We have appended the business case for the most significant project, the Buxton Spa Town Project, based on planned delivery in 2015/16 and scale of investment, in the annex to this Implementation Plan.

Impacts and Value for Money

7.57 Our analyses demonstrate that the proposed investment programme will deliver strong value for money, with up to 1,500 jobs and 900 homes unlocked, over the longer term, through the investment programme. We forecast that 500 jobs and 300 homes will be unlocked over the 2015/16 to 2020/21 period of the Local Growth Fund, and approximately £20 million GVA will be added to the economy of the area (on the basis of an average £40,000 per worker). This offers good value for money from the proposed £22 million LGF investment.

Delivery

7.58 Partners in Derbyshire are in a strong position to commence rapid delivery of our priority projects and deliver the planned outcomes. The projects have been scrutinised by external advisors and promoters have confirmed their readiness to continue preparatory work in 2014/15 and construction and construction in 2015/16.

7.59 The proposed delivery programme is shown in the table below. The colour coding highlights when spending is proposed to commence, with significant projects ready to commence in 2015/16.

Scheme	Total Cost (outturn) £m	LGF Ask £m	2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Airfield Access and Link, Ashbourne	2.0	1.0	1.0	0.0	0.0
Bakewell Riverside Infrastructure Improvements	15.1	2.3	2.3	0.0	0.0
Cawdor Remediation, Matlock	8.5	0.5	0.5	0.0	0.0
Derbyshire Highway Resilience	6.7	5.3	0.7	0.7	4.0
Fairfield Link Road, Buxton	4.0	3.2	0.0	3.2	0.0
Buxton Spa Town Package	4.0	3.2	0.0	0.5	2.7
Derbyshire Dales Destinations Package	3.0	2.4	0.0	0.5	1.9
Gamesley Station	5.0	4.0	0.0	0.0	4.0
Total: Peak world class destination	**48.3**	**21.9**	**4.4**	**4.9**	**12.6**

Strategic Investment Package: East Midlands Connectivity

Headlines

7.60 The programme for East Midlands Connectivity is focused on working with partners to develop our strategy to fully capture the benefits of the arrival of HS2 to the region and develop the competitiveness of the Junction 23a/24/A50 area as the most competitive logistics location in the UK.

The case for intervention

7.61 The arrival of HS2 will present a transformational growth opportunity for the East Midlands region. In order to fully benefit from the proposed HS2 station, it will be critical to improve connectivity, both local and regional. There is a serious risk that the transformational connectivity benefits of the proposed station will be lost if connections are not improved from other parts of the region. This needs to include consideration of connectivity from the two city centres in Nottingham and Derby, the wider Greater Nottingham and Derby areas, and the major urban areas in Chesterfield and Mansfield / Ashfield. Furthermore, it is also important to improve connections from Leicester and Leicestershire. Partners therefore need to work together to develop an optimal regional connectivity package, prioritise interventions and develop a significant medium-term capital investment programme.

Description of Package

Strategic Package: East Midlands Connectivity

Focused on unlocking the potential of the M1 J23a/J24 area as the leading transport and logistics hub in the UK, and ensuring the benefits of HS2 are captured for the D2N2 economy.

- D2N2 LEP will lead a taskforce to develop a strategy to fully capture the benefits of HS2, bringing together HS2 Limited, LLEP and local transport authorities. This will include the development of Masterplan for the proposed HS2 station at Toton, to enable early work on infrastructure and a regional connectivity package to ensure improved connectivity across the D2N2 area and fully capture the benefits of HS2 for the East Midlands economy.
- Working with East Midlands Airport and LLEP to develop East Midlands Airport to its full potential, including supporting the development of freight expansion to new global destinations and increased numbers of passenger destinations, including primary European cities, transatlantic and Middle East markets. We will work with EMA to improve sustainable travel options to the airport, for both passengers and to provide access to new job opportunities.
- Working with LLEP and the developer of the planned Strategic Rail Freight Interchange at Junction 24, subject to the consideration of the proposals by the Planning Inspectorate, to maximise economic benefits to the wider D2N2 and LLEP economies of this proposal.

Impacts and Value for Money

7.62 D2N2 partners, working with the HS2 taskforce, will assess more fully the potential economic benefits of HS2 to the East Midlands, and resultant business case, as part of our work to develop our East Midlands local connectivity package.

Delivery

7.63 We are keen to ensure the rapid delivery of the package of supporting connectivity measures to ensure that we are ready to fully benefit from the arrival of HS2. We will develop a delivery programme within the work of the HS2 taskforce.

Strategic Investment Package: Midland Mainline Connectivity

Headlines

7.64 Within this programme, we will work with Network Rail, LLEP and Sheffield City Region to confirm the business case and secure the early delivery of line speed improvements on the Midland Mainline at Market Harborough.

The case for intervention

7.65 As highlighted in the SEP, the D2N2 area suffers from long journey times to London, which is impacting on the competitiveness of our area, particularly our cities, which are reliant on fast and efficient rail links to the capital. Journey times from Nottingham and Derby are up to 30 minutes longer than locations a comparable distance from London on the West Coast Main Line. In developing our growth sectors, we need rapid and easy access to the capital to facilitate business travel and promote inward investment in our cities.

7.66 While HS2 will transform journey times on its arrival post 2030, this will not address the immediate problems that are faced on the corridor. The Midland Mainline will continue to play a crucial role in acting as the primary spine for north-south rail journeys through the East Midlands. The route connects the three largest cities in the East Midlands – Nottingham, Derby and Leicester – and other key growth areas including the Northamptonshire towns.

7.67 The opportunity exists to significantly improve line speeds through Market Harborough as part of a wider project to realign tracks and improve station facilities. This can be achieved with relative ease, and partners are pressing for these works to be completed before electrification of the route commences. This is critical to ensure that the full economic value of route electrification can be realised.

Description of Package

Strategic Package: Midland Mainline Connectivity

Focused on addressing slow line speed at Market Harborough, which is a barrier to delivering improved connectivity from D2N2 (and Sheffield City Region) to London.

- Working with Network Rail, LLEP and Sheffield City Region to develop business case for realignment of track at Market Harborough, before electrification of the Midland Main Line, and to ensure that connectivity benefits to the wider MML corridor have been fully captured. Proactively support the delivery of the line speed improvement, including consideration of potential contribution of LGF funding to support the project.

Impacts and Value for Money

7.68 Network Rail is currently preparing a business case and D2N2 will be working with partners at LLEP and Sheffield City Region to secure the early delivery of this project to support our growth objectives.

Delivery

7.69 We are keen to ensure the rapid delivery of this project, which is of strategic significance to the D2N2 area and the wider East Midlands region.

7.70 We have therefore identified a £5.0 million Local Growth Fund allocation from the D2N2 area as the contribution from this area to the funding of this project.

8 STRATEGIC THEME: HOUSING AND REGENERATION

Strategic Objectives

1. To accelerate housing starts and completions in D2N2.
2. To invest in land and property schemes on a recoverable basis to deliver economic growth, providing an immediate economic boost, and mobilising long term private finance whilst providing a longer term return on investment to the taxpayer.
3. Ensure that all our communities benefit from economic growth by re-balancing our communities and estates.

Key Activities

8.1 There are three key areas in which D2N2 will focus its activities in relation to housing, although we will support our local authority partners in their wider efforts to accelerate housing development. We are awaiting further guidance from government on the use of HRA borrowing, and the publication of a prospectus on the Large Sites fund, and will develop confirm our approach, and develop the detail of our programmes, once the shape of these schemes becomes clear[2]:

A Key Sites Programme

Using LGF infrastructure funding (and, in future years, Growing Places Fund receipts) and working alongside HCA, we will administer a Key Sites Programme to promote the viability and delivery of key sites, particularly focusing on mixed use sites. This programme will be further developed once the Large Sites fund prospectus has been issued.

Affordable Homes

We will work closely with local authorities with stock, drawing on enhanced Housing Revenue Account borrowing to develop new affordable homes in response to the demand for this stock type. We await further details on the competitive bidding process through which this additional borrowing will be allocated.

[2] In 2015/16, our housing-related activity (including bringing forward housing and mixed use sites) will be funded through our economic infrastructure theme. Once the conditions relating to housing-related funding through LGF are clarified, we will bring forward specific housing programmes, the outlines of which are provided here. We wish to retain the flexibility to amend these outlines once further guidance is provided.

Growth in Communities: Rebalancing Outer City Estates – North Nottingham

Outer city estates throughout England were built with the finest of intentions, often to re-house working families from Victorian slums or bomb-damaged communities to garden villages. These mass-developed estates were highly functional with few pretensions and whilst the results are not all bad, many are far from ideal.

These estates can often feel from another world. Close to the cities but where few other than residents will go, often, close to the arterial routes to and from the city or ring road that surrounds. The outer cities estates are often bypassed daily and residents, other than for work, often rarely venture out. Consequently, they have often become isolated communities, with families facing significant challenges and individuals talk of escaping. There is local ambition to create more intimate and community clusters.

The six estates of North Nottingham parliamentary constituency provide a case in point. These well-built estates are illustrative of the social and economic imbalance of the modern UK economy, and it is a story often retold in many similar estates nationally. These estates have often lost their identity, often following the loss of their key employers such as in North Nottingham with the loss of Raleigh Bicycles, the mines and textiles and are at the forefront of the often-mentioned postcode lottery of services.

One in ten is unemployed; four out of six schools are in special measures with the lowest number of people going to university in the UK; double the average of single parent households and free school meals. It is often these communities whose economic growth is least felt and the austerity measures most hurt. The deadweight costs of low personal and social skills, poor qualifications and educational levels and their accompanying social problems are becoming chronic. Urban policy of the past such as the Urban programme, City Challenge or New Deal for Communities has sought to target some of these communities but they have been one off projects rather than part of a long term programme. Another one-off programme will not bring sustained change. Any further activity must be sustainable and provide a model for other communities.

Based on the Early Intervention Foundation model founded by North Nottingham constituency MP, Graham Allen and now operating in 20 pioneering places across the country, we are keen to begin this process by taking the lead in forming an advisory council to develop a dedicated and tightly-managed resource to tackle the key challenges facing outer city estates, using North Nottingham as a founding example. As soon as our thinking is done, we will propose an organisational model to get the job done.

An initial roundtable discussion has already enjoyed significant interest from key players and Members of Parliament, local businesses, Councils, FE and HE institutions. We have made a point of linking this early thinking to external players (LSE, RSA, Lyons Review) as well as to central government (DCLG, BIS, Cabinet Office) since taking this to scale on the back of well-evidenced activity must be a central consequence of all our resourcing. To continue to develop momentum we are bringing Michael Heseltine to Nottingham North on 8 April, holding a community conference on rebalancing on 25 April and a National Conference on 6 June.

The LEP is perfectly placed to use our power of convening to bring local and regional commitment to the table. The City Council is closely involved as is business and the community. Graham Allen, the local MP, continues to show his commitment in bringing the academic, political, national and all-party players to the table. Nottingham's creative use of the Local Strategic Partnership model to build the first "Early Intervention City" which has now gone to scale via the national independent charity, the Early Intervention Foundation, demonstrates local will and capacity. Supported by the LEP and other parties, our ambition is to drive forward an active discourse and policy exchange supported by HM Government.

With the support of Government we intend to publish an exploratory report by Easter 2015 – and seek support for an independent review to HMG. We would hope at that point to begin a minimum 10-year plan running the full course of 2 parliaments to show our long term commitment and accumulate investment. There would be clear annual benchmarks for all to see but the time span would demonstrate our vision for sustainability and recognise that on a non-greenfield heavily built up site progress would be practical, incremental and evidenced – not yet another 'quick fix'.

Much good work already takes place and much is planned. We intend to build on that but not substitute for it. All partners would be clear that additionality would be our watchword. As well as this strategic objective, the rebalancing programme will look to take specific action locally through a number of key attributes contained within the strategic economic plan and the Nottingham Growth Plan. These include the Phase 2 redevelopment of Basford Hall Campus by New College Nottingham; the redevelopment of key sites contained within the Nottingham Growth Plan; the community-led local development as part of the ERDF scheme, the use of small sites for skills and employment, expanding successful VSO enterprise (Best, Right Track etc), mapping and pooling public, private and third sector investment and so on.

The rebalancing outer city estates programme demonstrates not only the LEP's commitment to growth but also to ensuring that growth reaches out to all communities. It will provide a best practice, evidence-based example for our area, our region and for England of how the strategy of a LEP economic plan can both contribute nationally to detail on urban policy and locally to some of our most challenged communities.

Investment to date

8.2 A range of public and private sector partners are involved in delivering housing and regeneration activity across D2N2, although the scale of activity reduced following the credit crunch and public sector funding constraints. Partners include:

- The Homes and Communities Agency, which will invest some £102m in land and regeneration and £56m in affordable housing in D2N2 over the 2011-2015 period;
- The local authorities and housing associations who own and manage the public sector housing stock across D2N2
- Private developers, who are taking forward both large and small-scale developments across the area, and sometimes face considerable challenges of market viability.

8.3 Funding to unlock development has been available from D2N2's £26m Growing Places Fund, a loan fund which will generate receipts that can be invested in further projects in future years. The funds raised through the Nottingham Enterprise Zone will also be invested in D2N2's housing and regeneration priorities

Achieving the objective: financial proposal

8.4 The key sources of finance that will be used to support activity under this strategic theme are shown below. Over the six year period between 2015/16 and 2020/21, a total of £25.1m is expected to be generated through Enterprise Zone uplift monies.

Housing and Regeneration: Key Sources of Finance							
	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	Total
EZ uplift	2.9	3.2	4.0	4.3	5.1	5.6	25.1
LGF	0.0	8.0	8.0	8.0	8.0	8.0	40.0
LAs	20.4	20.4	20.4	20.4	20.4	20.4	122.4
HCA affordable housing	8.3	8.3	8.3	8.3	8.3	8.3	49.5
Total	**23.3**	**31.6**	**32.4**	**32.7**	**33.5**	**34.0**	**237.0**

Planned investments

8.5 The following activities have been put forward under this strategic theme:

- Key Sites Programme
- Affordable Homes development
- Re-balancing our outer city estates

8.6 As noted above, we await further guidance on how the HRA Borrowing which we will use to support the development of affordable homes will be managed, and will develop our proposals more fully once this has been published. We have identified a number of sites which could be part of our Key Sites Programme, and will closely study the prospectus on large sites funding which is due to be published shortly.

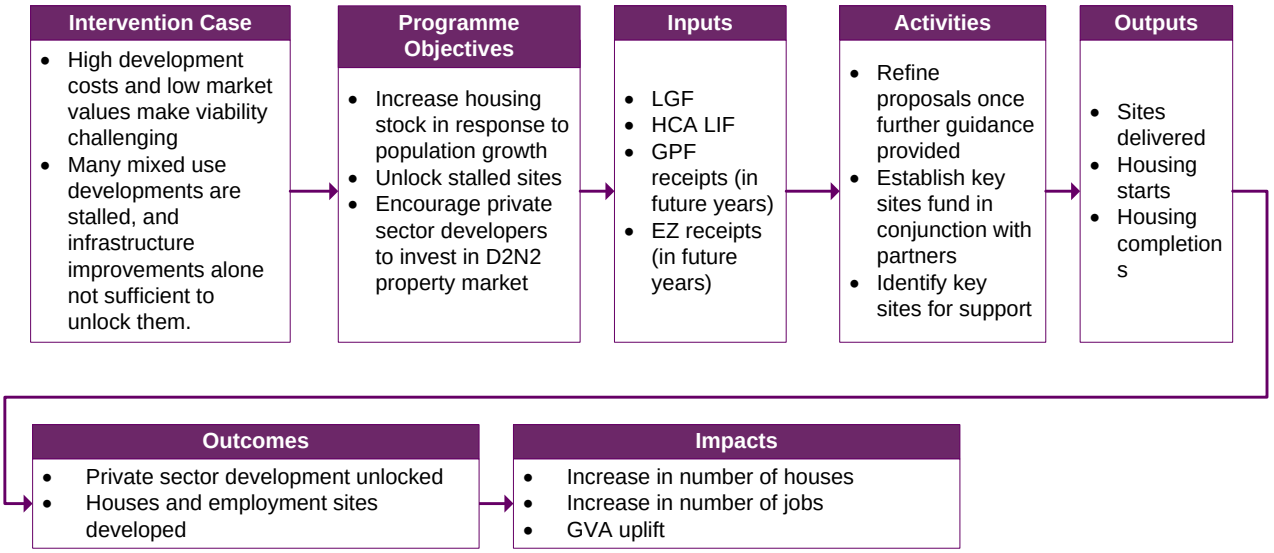
8.7 A summary of our current plans is provided in the table below, with the following tables providing an overview of each programme including the intervention logic for each activity, an outline of the activities that it is proposed will be undertaken, finance, outcomes and impacts.

8.8 All investments will be coordinated with existing interventions, to extend the benefits of existing support, to reduce deadweight, and speed up development. At this stage, the planned investments retain a degree of flexibility in order to respond to further guidance and market need.

8.9 There is close alignment between this theme and our infrastructure for economic growth theme, with many of our key infrastructure developments being mixed use sites which will deliver significant housing growth. Due to the uncertainties over funding for housing within the LGF, our programme for 2015/16 does not include a separate LGF allocation for housing (which is included in our economic infrastructure request).

Scheme name: Key Sites Programme

Rationale



Description of activities

Using LGF infrastructure funding (and, in future years, Growing Places Fund receipts) and working alongside HCA, we will administer a Key Sites programme to increase the viability and delivery of key sites, particularly focusing on mixed used sites.

Timescales

We expect to complete the development of our proposed programme as soon as the Large Sites fund prospectus is published, and hope to begin implementation in 2015/16..

Total cost:	Not yet known
Spend profile	Not yet known

Outputs

Sites Delivered

Housing starts and completions

Outcomes

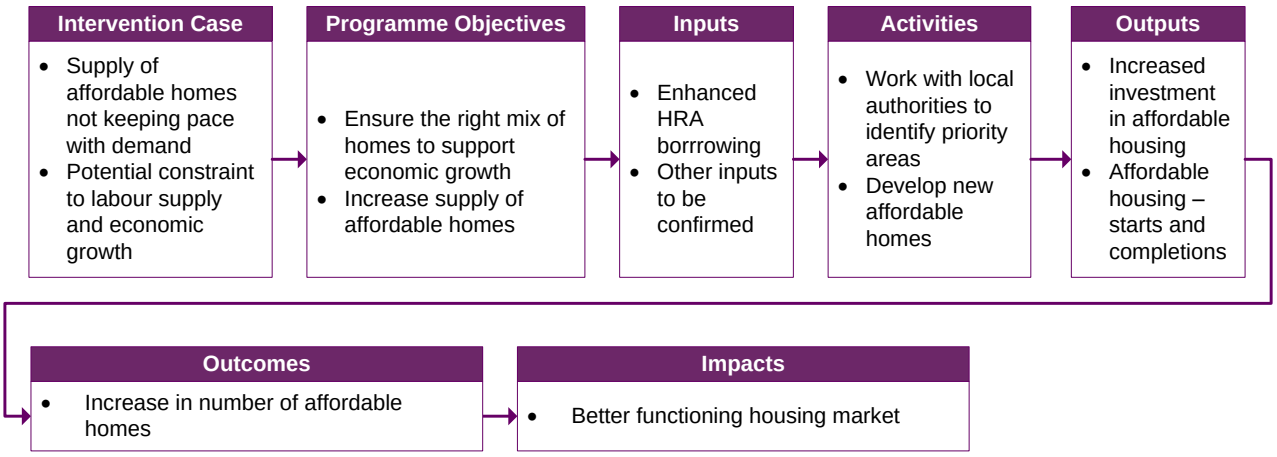
- An increase in the number of houses available
- An increase in the number of jobs available
- A GVA uplift

Delivery responsibilities

Project Proposers / Accountable Body

Scheme name: Affordable Homes

Rationale



Description of activities

We will work closely with local authorities with stock, drawing on enhanced Housing Revenue Account borrowing to develop new affordable homes in response to the demand for this stock type.

Timescales

We expect to complete the development of our proposed programme as soon as further information on the competitive bidding process to be used to allocate additional HRA borrowing is published, and hope to begin implementation in 2015/16.

Total cost:	Not yet known
Spend profile	Not yet known

Outputs

Affordable homes starts and completions

Outcomes

Increase in number of affordable homes

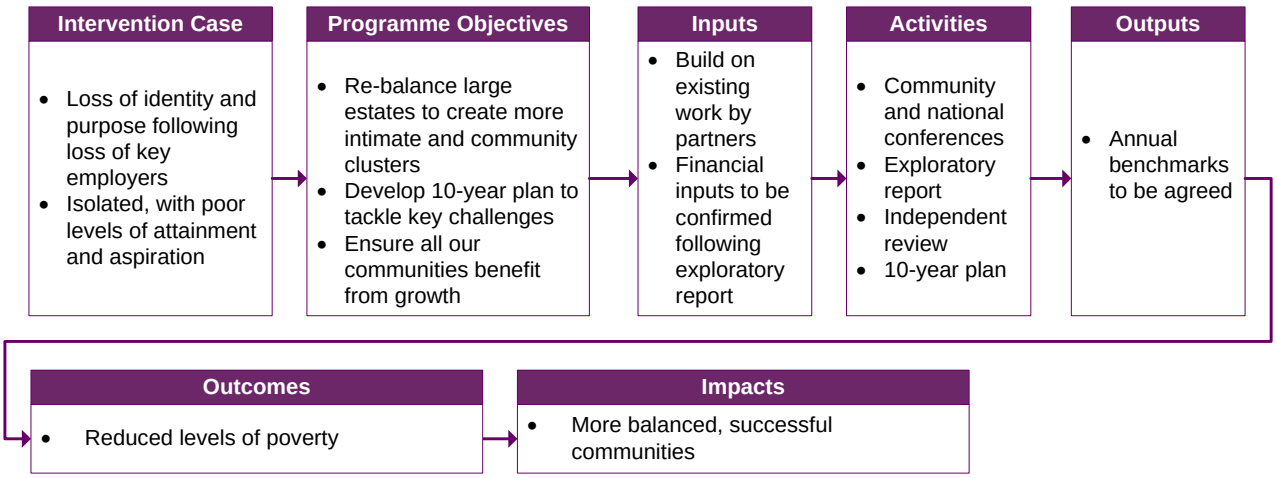
Better functioning housing market

Delivery responsibilities

Project Proposers / Accountable Body

Scheme name: Re-balancing outer estates

Rationale



Description of activities

D2N2 LEP will bring together partners to take forward proposals to re-balance our outer city estates, beginning with the six estates of north Nottingham. We will develop a dedicated and tightly managed resource to tackle the key challenges facing outer city estates, bringing local and regional commitment from business, the public sector and the community.

Timescales

We will publish an exploratory report by Easter 2015, followed by a ten year plan to bring about long-term sustainable change.

Total cost:	Not yet known
Spend profile	Not yet known

Outputs

Annual benchmarks to be agreed

Outcomes

Reduced levels of poverty

More balanced, successful communities

Delivery responsibilities

Project Proposers / Accountable Body

Appendix 1A – Financial Information for all LGF-funded 2015/16 Schemes (BIS table)

Note – All post 2016/17 LGF funding shown in 2017/18 column

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
Growing Greater Nottingham	Economic Infrastructure, Housing & Regeneration	Pre committed LGF					16.9			16.9	LTB approved schemes p74, Package p75-78		No	
		Competitive LGF	Capital	39.4	46.2	62.6				148.1		Jobs: 7,900 Homes: 4,600		
		LA funding								169.4				
		Private investment								441.5				
		Other												
Unlocking, accelerating and sustaining growth in the wider derby area	Economic Infrastructure, Housing & Regeneration	Pre committed LGF								6.8	LTB approved schemes p74, Package p79-81			
		Competitive LGF	Capital	26.6	28.8	69.5				124.8		Jobs: 6,000 Homes: 3,600		
		LA funding								156.0				
		Private investment								365.9				
		Other												
Sustained Regeneration in	Economic	Pre committed LGF		0.9	0.9					1.8	LTB			

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
Mansfield, Ashfield and North Notts	Infrastructure, Housing & Regeneration	Competitive LGF	Capital	22.4	9.4	21.7				53.5	approved schemes p74, Package, p82-84	Jobs: 2,500 Homes: 1,300		
		LA funding								12.6				
		Private investment								99.1				
		Other												
New jobs in North East Derbyshire	Economic Infrastructure, Housing & Regeneration	Pre committed LGF		5.7							LTB approved schemes p74, Package p85-86			
		Competitive LGF	Capital	2.5	1.9	47.6				51.9		Jobs: 2,200 Homes: 1,400		
		LA funding								6.2				
		Private investment								26.4				
		Other												
Accelerating Housing and Employment Growth in Newark	Economic Infrastructure, Housing & Regeneration	Pre committed LGF									Package p87-88		Castle line joint with GLLEP	D2N2
		Competitive LGF	Capital	9.4	1.9	3.1				14.3		Jobs: 900 Homes: 1,500		
		LA funding								8.0				
		Private investment								25.2				
		Other												

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
Peak District World Class Destination	Economic Infrastructure, Housing & Regeneration	Pre committed LGF									Package p89-90			
		Competitive LGF	Capital	4.4	4.9	12.6				21.9		Jobs: 500 Homes: 1300		
		LA funding												
		Private investment												
		Other												
Superfast Broadband	Economic Infrastructure, Housing & Regeneration	Pre committed LGF												
		Competitive LGF – D2		1.1	1.1					2.2				
		Competitive LGF – N2		1.3	1.3					2.6				
		LA funding												
		Private investment		4.8	4.8					9.6				
		Other												
East Midlands Logistics Hub	Economic Infrastructure, Housing & Regeneration	Pre committed LGF									Package, p91	Feasibility studies		
		Competitive LGF	Capital	0	0	0				0				
		LA funding												

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
		Private investment												
		Other												
Midland Mainline Connectivity	Economic Infrastructure, Housing & Regeneration	Pre committed LGF									Package, p92		Joint with SCR LEP, LLEP & LCRLEP	D2N2
		Competitive LGF	Capital	5	0	0				5				
		LA funding												
		Private investment												
		Other												
Transforming our Skills Estate – Nottingham Skills Hub	Skills	Pre committed LGF		0	0	0	0	0	0	0	P70		No	N/a
		Competitive LGF	Capital	20.0	1.0					30.0		450 new jobs 1426 learners per year		
		LA funding												
		Private investment												
		Other		10.0	10.7	1.3				30..				
Transforming our Skills Estate – Vision University Centre (Mansfield)	Skills	Pre committed LGF		0	0	0	0	0	0	0	P70		No	N/a
		Competitive LGF	Capital	2.6						2.6		500 additional HE learners		
		LA funding												

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
		Private investment												
		Other		5.2						5.2				
Transforming our Skills Estate – Chesterfield Centre for Higher Level Skills	Skills	Pre committed LGF		0	0	0	0	0	0	0			No	N/a
		Competitive LGF	Capital	1.4	2.1					3.5		1483 additional higher level learners 60 innovation workshops 20 KTPs 1919 CPD modules		
		LA funding												
		Private investment												
		Other		1.4	2.0	0.07				3.5				
Transforming our Skills	Skills	Pre committed LGF		0	0	0	0	0	0	0			No	N/a

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
Estate – Hudson Building, Derby		Competitive LGF	Capital	1.3						1.3		2000 new students over 3 years 96 new app opps in 1st year		
		LA funding												
		Private investment												
		Other		1.3						1.3				
Transforming our Skills Estate – Broomfield Hall, Derbyshire	Skills	Pre committed LGF		0	0	0	0	0	0	0			No	N/a
		Competitive LGF	Capital	6.0						6.0		176 new app opps in 1st year		
		LA funding												
		Private investment												
		Other		6.0						6.0				
Transforming our Skills Estate – Mobile IAG Unit	Skills	Pre committed LGF		0	0	0	0	0	0	0			No	N/a
		Competitive LGF	Capital	0.03						0.03		2240 learners benefiting		
		LA funding												

Project or Programme Name & brief Summary	Theme of Project or Programme	Sources of Funding **(include rows for each funding type: pre committed LGF; competitive LGF; LA funding; private investment etc)**	Funding Type **(Capital or Resource)**	Profile (£m)							Further info on project **(Implementation Plan page reference)**	Project output information (**eg. Jobs, houses, qualifications - specify all that apply**)	Is this a joint bid between two or more LEPs**? (please name all LEPs who are part of the bid)**	If so which LEP will lead Delivery**?**
				2015/16	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**Total**				
		Private investment												
		Other		0.03						0.03				
Local Growth Fund	Business Growth and Access to Finance	Pre committed LGF										300 businesses supported	No	n/a
		Competitive LGF	Capital	3	3					6		400 jobs created		
		LA funding										100 Businesses in new markets		
		Private investment	Capital	12	12					24		20 businesses new products		
		Other												

Appendix 1B – Full List of Potential LGF-funded Schemes 2015/6 and 2016/17

Economic Infrastructure Schemes

Existing Committed LTB Schemes			2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Scheme	**Total Cost (outturn) £m**	**LGF Ask £m**			
A52 Wyvern - Pride Park Congestion Management	10.04	6.7	0.0	3.4	3.4
Southern Growth Corridor	9.18	6.12	0.0	0.0	6.1
Gedling Access Road	32.4	10.8	0.0	0.0	10.8
A61 Whittington Moor Roundabout	4.86	3.24	3.2	0.0	0.0
A57/A60 Junction, Worksop	3.24	1.83	0.9	0.9	0.0
Seymour Link, Markham Vale	7.56	2.52	2.5	0.0	0.0
Sub-total	**67.28**	**31.21**	**6.7**	**4.3**	**20.3**

Strategic Projects with Potential LGF Ask			2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Scheme	**Total Cost (outturn) £m**	**LGF Ask £m**			
Line speed improvements at Market Harborough	tbc	5.0	5.0	0.0	0.0
Sub-total	**tbc**	**5.0**	**5.0**	**0.0**	**0.0**

D2N2-wide Programme: Broadband Connectivity			2015/16 LGF Spend	2016/17 LGF Spend	Post 2016/17 LGF Spend
Scheme	**Total Cost (outturn) £m**	**LGF Ask £m**			
Superfast Extension Programme	6.6	2.2	1.1	1.1	0.0
Fibre based broadband extension Programme	7.9	2.6	1.3	1.3	0.0
Sub-total	**14.5**	**4.8**	**2.4**	**2.4**	**0.0**

Economic Infrastructure Schemes Long List: 2015/16 Starts

Area	Scheme	VfM Score	Total Cost (outturn) £m	2015/16 Spend	Cum 2015/16 Spend	2016/17 Spend	Cum 2016/17 Spend	Post 2016/17	Total LGF Ask
NE Derbys	River Rother Catchment Flood Management Measures	9.0	1.5	**0.5**	**14.6**	0.7	7.4	0.0	1.2
Mid Notts	Strategic corridor sustainable transport access improvements, Mansfield	9.0	2.5	**0.3**	**14.9**	0.3	7.7	0.6	1.2
Mid Notts	Congestion Management Package to Enable Growth, Mansfield	9.0	2.5	**0.6**	**15.6**	0.0	7.7	0.0	0.6
Mid Notts	Newark Southern Link Road	9.0	26.3	**7.0**	**22.6**	0.0	7.7	0.0	7.0
Greater Nottm	Teal Close Sustainable Transport Package, Colwick	8.0	3.0	**1.5**	**24.1**	0.0	7.7	0.0	1.5
Mid Notts	Lindhurst Development, Mansfield	8.0	30.0	**5.0**	**29.0**	0.0	7.7	0.0	5.0

Mid Notts	Nottingham - Newark - Lincoln rail service enhancement	8.0	2.1	**0.5**	**29.5**	0.0	7.7	0.0	0.5
North Notts	A1/A614 junction, Harworth *(incl within Network Package)*	8.0	4.4	**1.1**	**30.6**	0.0	7.7	0.0	1.1
North Notts	Harworth Junction and Network Efficiency Improvements	8.0	9.7	**0.7**	**31.3**	0.7	8.4	1.4	2.8
Derby City	Our City Our River programme	7.5	100.0	**2.0**	**33.3**	2.0	10.4	6.0	10.0
Derby City	South Derby LSTF Package	7.5	8.0	**1.0**	**34.3**	1.0	11.4	4.0	6.0
Nottm City	Nottingham Cycle Ambition Package	7.5	9.3	**3.0**	**37.3**	3.1	14.5	0.0	6.1
Peak	Airfield Access and Link Road, Ashbourne	7.0	2.0	**1.0**	**38.3**	0.0	14.5	0.0	1.0
NE Derbys	Chesterfield Town Centre Package	7.0	20.1	**0.5**	**38.8**	0.5	15.0	10.2	11.2
Mid Notts	Newark Pinch point improvements package	7.0	4.5	**1.1**	**39.9**	1.1	16.1	0.0	2.3
North Notts	A614/ Bawtry Road/Blyth Road junction, Harworth	7.0	1.5	**0.4**	**40.3**	0.0	16.1	0.0	0.4
North Notts	Harworth Town Centre Sustainable Access Package	7.0	7.8	**1.6**	**41.9**	0.6	16.7	0.0	2.2
North Notts	Sustainable Access Improvements	7.0	2.6	**0.3**	**42.2**	0.3	16.9	0.5	1.0
North Notts	Blyth Rd/Scrooby Rd/Tickhill Rd/Main Street Jn *(incl within Network Package)*	7.0	1.5	**0.4**	**42.6**	0.0	16.9	0.0	0.4
Greater Nottm	Rolls Royce, Hucknall	7.0	25.4	**5.8**	**48.4**	0.0	16.9	0.0	5.8
Greater Nottm	A46 Corridor Projects (Cotgrave, Bingham, Newton)	7.0	13.7	**4.0**	**52.4**	1.5	18.4	0.0	5.5

Derby Area	North of Denby	6.5	4.6	**1.5**	**53.9**	2.1	20.6	0.0	3.6
Nottm City	Highway Resilience and Drainage	6.0	12.0	**2.0**	**55.9**	2.0	22.6	2.0	6.0
NE Derbys	A61 Growth Corridor	6.0	16.0	**0.8**	**56.7**	0.0	22.6	12.0	12.8
Nottm City	Supporting sustainable access to work, skills and training programme	6.0	3.5	**1.0**	**57.7**	0.0	22.6	0.0	1.0
Nottm City	Nottingham Southside Transport Strategy	6.0	13.0	**3.0**	**60.7**	3.7	26.3	3.7	10.4
Nottm City	River Leen Flood Alleviation	6.0	2.7	**1.0**	**61.7**	0.0	26.3	0.0	1.0
Derby Area	Drakelow Park	5.5	10.8	**3.0**	**64.7**	5.6	31.9	0.0	8.6
Greater Nottm	Newton Site Link Widening *(incl within A46 corridor projects)*	5.5	1.0	**0.7**	**65.3**	0.0	31.9	0.0	0.7
Greater Nottm	Beeston Business Park	5.5	39.1	**1.0**	**66.3**	1.8	33.6	2.0	4.8
North Notts	Worksop junction and network efficiency improvements.	5.5	13.5	**0.9**	**67.3**	0.9	34.6	1.9	3.8
Derby City	Osmaston Regeneration	5.0	64.0	**1.0**	**68.3**	0.0	34.6	0.0	1.0
Derby City	City Centre Placemaking	5.0	16.5	**1.0**	**69.3**	1.0	35.6	1.0	3.0
Derby City	Friar Gate Regeneration Programme	5.0	63.0	**0.3**	**69.6**	1.0	36.6	1.2	2.5
Greater Nottm	Hucknall Town Centre Improvement Scheme	5.0	14.4	**2.0**	**71.6**	0.0	36.6	0.0	2.0
Mid Notts	Newark South sustainable access package	5.0	0.5	**0.1**	**71.7**	0.1	36.7	0.0	0.3
Mid Notts	Newark East sustainable access package	5.0	0.5	**0.1**	**71.8**	0.1	36.8	0.0	0.3
Nottm City	Nottingham LAPP Sites	5.0	12.0	**2.0**	**73.8**	2.0	38.8	2.0	6.0
Derby City	Infinity Park Derby	4.5	134.2	**2.5**	**76.3**	2.2	41.0	2.0	6.7

Greater Nottm	Congestion management/capacity improvements (Hucknall)	4.5	5.3	**1.0**	**77.3**	1.7	42.7	0.0	2.7
Nottm City	Daybrook Flood Alleviation Scheme	4.5	2.4	**1.0**	**78.3**	0.0	42.7	0.0	1.0
Greater Nottm	Sustainable transport measures to help maintain town centres and support growth	4.5	20.5	**2.9**	**81.2**	2.9	45.6	8.7	14.5
Derby Area	Woodville Swadlincote Regeneration Route	4.0	8.0	**2.5**	**83.7**	0.0	45.6	3.9	6.4
Derby City	City Centre Integrated Transport Connectivity Package	4.0	13.7	**1.9**	**85.6**	1.9	47.5	7.6	11.4
Mid Notts	Mansfield Sustainable Access Improvements	3.5	7.5	**5.8**	**91.3**	0.0	47.5	0.0	5.8
Derbyshire	Derbyshire Highway Resilience	3.0	20.0	**2.0**	**93.3**	2.0	49.5	12.0	16.0
Nottinghamshire	Nottinghamshire Strategic Route Maintenance	3.0	21.0	**2.0**	**95.3**	2.0	51.5	8.0	12.0
Derby Area	Stanton Ironworks Decontamination	3.0	6.2	**3.1**	**98.4**	3.1	54.6	0.0	6.2
Derby City	Castleward Delivery	3.0	80.0	**3.0**	**101.4**	0.0	54.6	0.0	3.0
Peak	Bakewell Riverside Infrastructure Improvements	3.0	15.1	**2.3**	**103.7**	0.0	54.6	0.0	2.3
Greater Nottm	Fourth Trent Crossing Feasibility Study	3.0	0.0	**0.0**	**103.7**	0.0	54.6	0.0	0.0
Peak	Cawdor Remediation, Matlock	2.5	8.5	**0.5**	**104.2**	0.0	54.6	0.0	0.5
North Notts	Sustainable transport access improvements – Worksop	2.5	6.0	**1.1**	**105.3**	1.1	55.7	2.3	4.5
Mid Notts	Ashfield Liveability Town Centre	2.0	51.4	**3.0**	**108.3**	3.0	58.7	6.4	12.4

	Improvements								
Nottm City	Glaisdale Drive Business Start up Hub	1.5	3.0	**1.5**	**109.8**	0.0	58.7	0.0	1.5
Nottm City	Nottingham Bioscience Expansion	1.0	25.5	**5.5**	**115.3**	1.0	59.7	0.0	6.5

Economic Infrastructure Schemes Long List: 2016/17 Starts

Area	Scheme	VfM Score	Total Cost (outturn) £m	2015/16 Spend	Cum 2015/16 Spend	2016/17 Spend	Cum 2016/17 Spend	Post 2016/17	Total LGF Ask
Nottm City	Nottingham Southside Growth Corridor (local contribution)	9.0	9.2	0.0	115.3	**1.5**	**61.2**	1.5	3.1
Greater Nottm	Hucknall sustainable travel improvements	8.0	1.0	0.0	115.3	**0.5**	**61.7**	0.0	0.5
North Notts	Harworth North Sustainable access package	8.0	4.3	0.0	115.3	**0.9**	**62.7**	0.0	0.9
Nottm City	Island Site / Waterside Transport Strategy	8.0	12.0	0.0	115.3	**3.2**	**65.9**	6.4	9.6
Derby City	A52 Connectivity and Resilience	6.0	2.2	0.3	115.7	**1.0**	**66.8**	0.9	2.2
Derby City	Connected Cycle City	5.5	5.0	0.2	115.8	**1.5**	**68.3**	1.9	3.5
Greater Nottm	Gedling Access Road (additional funding to accelerate delivery)	5.0	32.4	0.0	115.8	**5.4**	**73.7**	5.0	10.4
Nottm City	Nottm EZ Sustainable Transport Package	5.0	10.0	0.0	115.8	**4.0**	**77.7**	4.0	8.0
Derby City	Connected Cycle City (South Derby)	4.0	5.0	0.3	116.1	**1.5**	**79.2**	2.8	4.5
Derby City	Combined City Centre Strategic Sites	4.0	113.0	1.8	117.8	**3.3**	**82.5**	0.0	5.0
Peak	Fairfield Link Road, Buxton	4.0	4.0	0.0	117.8	**3.2**	**85.7**	0.0	3.2
Nottm City	Nottingham Ring Road Major Phase 2	2.0	8.9	0.0	117.8	**3.5**	**89.2**	3.5	7.0
Peak	Buxton Spa Town Package	1.5	4.0	0.0	117.8	**0.5**	**89.7**	2.7	3.2
Nottm City	Basford Hall Employment Hub	1.5	10.5	0.0	117.8	**5.5**	**95.1**	0.0	5.5

Peak	Derbyshire Dales Destinations Package	1.0	3.0	0.0	117.8	**0.5**	**95.6**	1.9	2.4
Mid Notts	Mansfield Town Centre Improvements	1.0	3.0	0.0	117.8	**0.5**	**96.1**	1.0	1.5
Nottm City	Creative Quarter Capital Programme	0.5	20.0	0.0	117.8	**2.5**	**98.6**	7.5	10.0

Economic Infrastructure Schemes Long List: Indicative Pipeline

Area	Scheme	VfM Score	Total Cost (outturn) £m	2015/16 Spend	Cum 2015/16 Spend	2016/17 Spend	Cum 2016/17 Spend	Post 2016/17	Total LGF Ask
Mid Notts	Newark (A1, A46) Trunk road junction improvements	8.5	8.4	0.0	117.8	0.0	98.6	**1.1**	**1.1**
Mid Notts	Ollerton Village Roundabout Improvement	8.0	4.8	0.0	117.8	0.0	98.6	**3.8**	**3.8**
Derby City	South Derby Connections for Growth	7.5	23.6	0.0	117.8	0.0	98.6	**11.8**	**11.8**
Nottm City	Stanton Tip Development Site Integrated Transport Package	7.5	2.0	0.0	117.8	0.0	98.6	**1.5**	**1.5**
Greater Nottm	A52 Junction Improvements, Rushcliffe	6.5	30.0	0.0	117.8	0.0	98.6	**3.8**	**3.8**
NE Derbys	Chesterfield Staveley Regeneration Route / Staveley Northern Route	6.0	34.0	0.0	117.8	0.0	98.6	**17.0**	**17.0**
Derby Area	Ripley Codnor Regeneration Scheme	3.5	15.0	0.0	117.8	0.0	98.6	**12.0**	**12.0**
Derby City	Super Connected Cycling (Derwent)	3.5	10.0	0.1	117.9	0.1	98.7	**4.8**	**5.0**
Nottm City	Nottingham Inner Ring Road	2.5	8.0	0.0	117.9	0.0	98.7	**6.0**	**6.0**

	Strategy								
Nottm City	Nottingham Smart City	2.0	3.0	0.0	117.9	0.0	98.7	**3.0**	**3.0**
Derby Area	Ilkeston Gateway	1.5	4.4	0.0	117.9	0.3	99.0	3.2	3.5
Peak	Gamesley Station	1.0	5.0	0.0	117.9	0.0	99.0	4.0	4.0
NE Derbys	Improvements to Castle Estate, Bolsover	0.0	4.4	0.0	117.9	0.0	99.0	4.4	4.4
Mid Notts	Kelham Bypass	4.0	30.0	0.0	117.9	0.0	99.0	24.0	24.0

D2N2 Skills Capital LGF Requirement

We have identified our initial priority skills capital projects and our indicative requirement for support from the Local Growth Fund. Final support for the identified schemes will be subject to the sufficient availability of LGF and detailed due diligence on each project. The schemes have not been prioritised.

Applicant	Location	Project	LGF Requirement 15/16	LGF Requirement 16/17	TOTAL Scheme Cost	Leverage
Chesterfield College and Derby University Group	St Helena Centre, Sheffield Road, Chesterfield, Derbyshire	Chesterfield University Centre	£1,388,700	£2,093,800	£6,965,000	50%
Derby College	Hudson Way, Pride Park, Derby	Extension to Hudson Building, Derby College	£1,318,800	£0	£2,637,600	50%
Vision West Nottinghamshire	Derby Road, Mansfield, Nottinghamshire	Vision University Centre, Mansfield	£2,609,557	£0	£7,836.507	33%
Derby College	Morley, Derbyshire	Redevelopment of Broomfield Hall	£6,031,000	£0	£12,062,000	50%
Burton & South Derbyshire College	Derbyshire, Nottinghamshire and Burton on Trent areas	Provision of a mobile IAG facility, South Derbyshire	£32,500	£0	£65,000	50%
Nottingham Skills Hub	Broadmarsh East, Nottingham	An Integrated Skills Hub for Nottingham	£20,000,000	£10,000,000	£60,000,000	50%
Total			£31,380,557	£12,093,800	£81,682,107	

The Nottingham Skills Hub project is a key skills priority for D2N2 LEP. There is a rapid process of development work taking place to finalise the cost schedule for what will be a transformative, multi-year development with an indicative cost of £60,000,000 and indicative LGF contribution of up to £40,000,000. The scheduling of the LGF requirement will be clarified through due diligence but the initial forecast is as above.

The HS2 Skills Academy and the New Campus for Basford Hall College, Nottingham are key priority actions for D2N2 LEP, but they are currently being progressed without a requirement for resources from the Local Growth Fund.

We will clarify our 2016/17 LGF Skills Capital requirement in due course, but it is likely to be at least £22m"

D2N2 Regional Growth Fund LGF Requirement

Programme	Location	Description	LGF Ask 15/16	LGF Ask 17/18	TOTAL Scheme Cost	Leverage
D2N2 Growth Fund	D2N2 - wide	The Business Growth Fund will build on the success of existing RGF-funded activity in D2N2 which is due to conclude shortly, using proven mechanisms to ensure successful investments and excellent value for money. The Business Growth Fund will be a flexible fund, linked to the Growth Hub, that will offer incentives to support SMEs and inward investors, particularly in our priority sectors, to make capital investments to accelerate growth, create sustainable employment and enable innovation to enhance competitiveness. We will also sustain visitor economy marketing campaigns linked to our identified key attractor	£3m	£3m	£30m	25%

assets to promote increased visitor spend and employment growth within the visitor economy.

Appendix 2 – Appraisal and Prioritisation Processes

As noted in the main body of the Implementation Plan, we have used different appraisal and prioritisation processes for our SEP strategic themes, recognising the challenges in making a fair comparison between the value for money of investment in transport schemes compared to, for example, the FE estate.

Each process has underlying it our four key principles (see main document):

- Strong strategic alignment
- Excellent value for money
- Additionality as a prerequisite
- Deliverability

In each case a two-stage process has been used, firstly reviewing strategic fit, and then moving onto value for money, additionality and deliverability of those proposals judged to align with our strategic approach.

This appendix provides more detail on the appraisal and prioritisation processes which have been used for each strategic theme.

Business Support and Access to Finance

In allocating LGF investment to business support and access to finance projects, we have been clear that ERDF will be the main source of funding for business support activity. However, the RGF element of the LGF will be used to extend the benefits of existing RGF programmes in D2N2, where these have demonstrated that they provide excellent value for money.

It is important that our approach to business support and access to finance under the LGF is integrated with our approach through the EUSIF. Given the development work currently going on to prepare for the implementation of the EUSIF 2014-2020 programme (including on-going negotiation with the business support opt-in providers), we decided not to have an open call for business support and access to finance projects at this time. Instead, project development work within this strategic theme will take place over the coming six months as part of the work programme which will ensure we are ready to commence delivery of EUSIF-funded projects from early in 2015.

Until this process has been completed, our intention is to use the resources available through the LGF to extend the benefits of successful RGF programmes within D2N2, such as Unlocking Investment for Growth and Visit England's attraction marketing programme. These have been tested against the four appraisal principles set out above:

- Strong strategic alignment – The existing RGF programmes are closely aligned with D2N2's strategic priorities of increasing private sector employment and growing its priority sectors.
- Excellent value for money – Both programmes have previously been through the rigorous RGF appraisal and due diligence processes, and have demonstrated their success over the past two years. The Business Growth Fund is expected to lever in £4 of private sector investment for every £1 of LGF funding provided, and the cost per job is expected to be £20,000, significantly lower than many RGF-funded schemes.
- Additionality as a prerequisite – This is clearly demonstrated, as the LGF funding will be used to continue existing valuable schemes which will come to an end when their current RGF funding

finishes. In the absence of funding through LGF, the UI4G programme will come to an end in March 2015, as will Visit England's Growing Tourism Locally programme, delivered in partnership with Visit Peak District and Derbyshire.

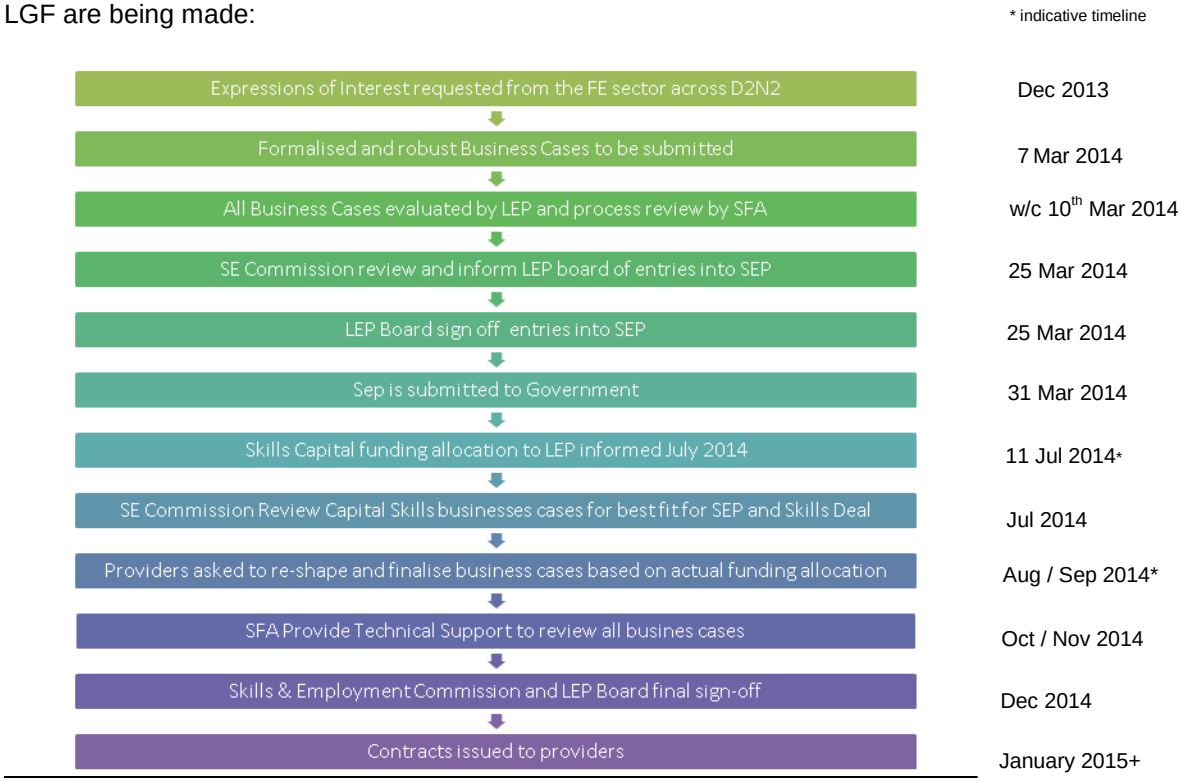
- Deliverability – The Business Growth Fund proposal can clearly demonstrate deliverability, building as it does on two existing RGF programmes. The delivery skills and management capacity are already in place to continue these programmes and no difficulties are foreseen in delivering the Fund.

Employment and Skills

The LGF skills capital element is open to providers offering vocational education provision. Providers will have an important role to play in supporting the development of local plans, to ensure that local skills priorities can be delivered through the provision of 21st century facilities for local businesses and learners. The investment funding is provided to improve the college estate in line with the FE College Capital Investment Strategy.

D2N2 LEP, through consultation with the SFA, sought expressions of interest and robust business cases from FE Colleges for 2015/16 funding for input into our Strategic Economic Plan. In future years we plan to invite a wider range of providers to submit their plans and proposals for capital funding to improve the educational estate.

The diagram below shows the timeline over which our decisions on the use of FE capital funding through LGF are being made:



There are a number of stages in our approach, as illustrated in the table overleaf:

1.	Submission of EOIs
At the D2N2 Principals meeting in December 2013, FE Colleges across the D2N2 area were invited to express interest in D2N2's FE Capital Programme, with EMFEC co-ordinating submissions. The Colleges were invited to set out their strategic priorities for capital investment. EMFEC acted as a funnel to bring together a coherent skills capital request, which then formed the basis of further discussions between the Colleges and D2N2 during the early part of 2014.	
2.	**Submission of full skills capital business cases**
Following consideration of the EOIs, Colleges were asked to complete and submit a full business case[3]. The business cases include detailed information on: • estate need, including the gross internal area to be affected by the proposed project; • benefits to learners, employers, the local community and in supporting economic growth, including how the project will benefit specific sectors / subject areas, how it will help the college to respond to specific skills needs, how it will help to tackle NEETS and unemployment, and how it will help to grow apprenticeships and increase employer engagement; • financial value for money and affordability, including an investment appraisal and running costs, project finance and funding and an expenditure profile; • a programme for the implementation of the project; • risk and mitigation; • lessons learned and previous return on investment; and • a set of SMART objectives for the project.	
3.	**Business case evaluation by the LEP**
The completed business cases were reviewed and evaluated by the LEP team. They were evaluated against the four appraisal criteria set out above: • strategic alignment with D2N2's priorities, i.e. how would each project contribute to increasing employment, a step change in skills levels, encouraging greater employer engagement in skills or higher levels of enterprise? • excellent value for money, comparing the net present value of the proposed projects • additionality, that is, whether the project could go ahead in the absence of LGF funding or an LGF award lower than that being requested, and ensuring that those projects that can be delivered without an LGF ask are taken forward outside the LGF process; and • deliverability – prioritising projects that can deliver in 2015/16, whilst identifying a pipeline of projects for future years.	
4.	**Skills and Employment Commission and LEP Board review and approval**
The projects which are included in our Strategic Economic Plan have been reviewed by the D2N2 Skilsl and Employment Commission and approved for inclusion by the D2N2 Board (at their meetings on 25th March 2014).	

[3] Two EOIs were not taken forward – in one case where capital funding had been secured outwith the LGF process, and in the other, the project will come forward next year following further development work.

5. Process review by SFA
Once the funding available for improving the skills capital estate in D2N2 has been confirmed, we will work with the SFA to undertake a technical review of each of the proposed projects. This will ensure that, as well as contributing to D2N2's priorities, each of our Skills Capital investments meets the SFA's requirements in terms of fit with College estate strategy and BREEAM / sustainability principles.

Economic Infrastructure

A structured process was undertaken for the identification and prioritisation of projects for inclusion within a potential D2N2 projects pipeline. The four upper tier authorities were responsible for engagement with their Districts (Derbyshire, Nottinghamshire) or other service areas within their authority (Derby and Nottingham Cities).

Call for Projects

Our independent consultants, Atkins, sent an initial call for projects (**Part A proforma**) to the four authorities on 14th January and officers then engaged with others to identify potential projects within their areas. Completed Part A proformas were returned by the required deadline of 31st January. Atkins then engaged further with officer teams (Derby & Derbyshire and Nottingham & Nottinghamshire) to review the outcomes of initial assessments of the projects and to ensure focused effort on key projects.

Projects that clearly did not meet the SEP objectives or cannot be delivered before 2021 were sifted-out of the programme at this point. As a result of this process, certain projects were also redefined or repackaged, so the projects taken forward for detailed assessment differed from the initial long list.

Over 90 submissions were received from the D2N2 area, either from the four upper tier authorities or from individual districts. Promoters were required to demonstrate adequate evidence against the requirements of the Proforma. These covered the following:

- **Strategic Case:** evidence of a clear **rationale for intervention** - a clearly defined problem that is constraining growth, and how the project will help to address this problem and unlock growth;
- **Economic Case:** clear definition of **project outputs and impacts**. This had a strong focus on unlocking new employment opportunities, new housing and wider impacts including improved connectivity and resilience to support the functioning of the D2N2 economy;
- **Financial Case:** clear definition of project costs, **LGF ask and local match funding**; and
- **Delivery and Commercial Case:** evidence that the project can be **delivered before 2021**, including definition of project timetable, key risks (and how they will be managed) and procurement mechanisms.

This also encouraged consideration of the government's key themes of leverage of private sector funding and additionality: i.e. what this funding would help secure that could not otherwise be achieved.

Assessment Criteria

All of the proposals presented credible evidence of a clear rationale for intervention, i.e. a clear problem that is constraining growth, and evidence that the project has been well-considered. The focus for assessment and in comparison of the project proposals was therefore as follows:

- **Deliverability:** is there compelling evidence that the project can be delivered, with a particular focus on accelerated delivery during 2015/16 and 2016/17; and
- **Value for Money:** from the evidence presented in the Economic Case, what impacts could be delivered from the LGF investment, and to what extent would these deliver change from 'Business as Usual'.

Atkins prepared a detailed spreadsheet to conduct the appraisal of the projects, based on the evidence presented in the Part B proformas. This was required to enable the effective management of the appraisal of this large number of projects, and enabled rapid assessment of alternative scenarios.

As noted above, the core of the assessment process was focused on assessment of deliverability and value for money of the projects.

Deliverability was assessed using a simple points-based system, to allow the team to rapidly distinguish the potential programming of schemes, as follows:

- **+3:** project is ready to start construction in 2015/16 (although construction could continue into later years). There is clear evidence that the project is ready: there is a clear programme, risks are managed, planning approvals are in place if required, and there is a strategy for procurement of a contractor.
- **+2:** project is ready to commence construction in 2016/17. There is clear evidence of a programme and risk management and work is in place to secure planning approvals if required.
- **+1:** project is ready to commence construction between 2017/18 and 2020/21. In the case of major projects, we would expect to see a programme and evidence of risk management. Where no programme is in place, or we considered the project not to be deliverable by 2020/21, this was downgraded to the next category.
- **0:** project is not ready to commence construction until after 2020/21.

Given the focus on immediate action to unlock growth, this scoring system provides a robust approach to identifying the most deliverable projects. Whilst certain projects were assigned scores of zero, this did not necessarily mean that they do not have merit: they would instead be considered as part of a longer-term programme.

Value for Money can be difficult to determine for a wide range of different infrastructure projects, each of which has different objectives. However, we considered that the three critical aspects for infrastructure projects were as follows:

- **Unlocking jobs:** number of jobs unlocked by the project per £m LGF funding. Given the focus on impacts that could be delivered from LGF, it was determined that the value of LGF funding should be the key criterion. This approach also encouraged promoters to carefully consider the value of their LGF ask and maximise other potential sources of match funding for the project;
- **Unlocking housing:** number of new homes unlocked by the project per £m LGF funding. Again, as for jobs, it was considered that this approach would encourage promoters to carefully consider the value of their LGF ask; and
- **Contribution to connectivity and resilience:** recognising that many projects will not necessarily support the delivery of new housing or jobs, but would play a critical role in improving connectivity or resilience of our transport networks or communities.

Each of these three criteria was scored using a points-based system: 0, 1, 2 or 3. The scores from the three criteria were then added to determine an overall Value for Money score, with a maximum potential score of 9. The highest-scoring projects would therefore demonstrate strong impacts in unlocking new housing, unlocking new jobs and wider connectivity and resilience benefits.

Appraisal and Prioritisation

Atkins then took the scores for the deliverability and value for money assessments and performed a number of tests to examine potential priorities within different levels of LGF funding. This was particularly useful in understanding the potential scaleability of the LGF programme. Atkins considered potential priorities based on deliverability scores, value for money scores and a combined measure of the deliverability score multiplied by the value for money score. This has had a strong focus on understanding potential priorities for delivery in 2015/16 and 2016/17.

This work enabled us to consider potential scenarios and has informed the programme contained in the SEP and Implementation Plan. The findings from the appraisal and prioritisation process were tested with officers and LTB members before the final list of projects to be included in each Strategic Investment Package was agreed.



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