

## **Appendix A: Report on the work of the D2N2 LEP**

### **MINISTERIAL REVIEW**

- 1.1 A review of LEPs was announced in the Industrial Strategy White Paper in November 2017<sup>1</sup>. The Review was led by a cross-departmental Ministerial Group: Jake Berry MP (Ministry of Housing, Communities and Local Government), Margot James MP (Department of Business, Energy and Industrial Strategy) and Andrew Jones MP (HM Treasury). A number of LEP chairs were also involved in the review on behalf of the wider LEP network, and engagement with local authorities, business groups and others were carried out as part of the process of the review.
- 1.2 The review resulted in Government publishing a paper on 'Strengthened Local Enterprise Partnerships' on the 24<sup>th</sup> of July 2018<sup>2</sup>. This set out the roles and responsibilities of LEPs in driving local growth and covers how Government and LEPs will work together to strengthen leadership and capability, improve accountability and manage risk and provide clarity on LEP geography.
- 1.3 The recommendations of the review are set against the context of moving all 38 LEPs to a more formalised and standardised process so that they can build on their role as key drivers of growth with responsibility for significant public sector investment. The review also seeks to further enhance LEPs Accountability and Transparency building on the outcomes of the Mary Ney led review.
- 1.4 The Review provides a clear opportunity for those LEPs that are able to move forward in line with its recommendations. As well as additional direct capacity funding to implement improvements, the further rollout of local industrial strategies and full access to the UK Shared Prosperity Fund will rest on LEPs ability to demonstrate commitment towards fully implementing the recommendations of the review.
- 1.5 D2N2 is well placed in relation to addressing the recommendations set out with the review and an action plan has been put in place to ensure that these are fully addressed within the timeframes set out in the review.

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<sup>1</sup> *Industrial Strategy: building a Britain fit for the future* – published by Department for Business, Energy & Industrial Strategy on 27<sup>th</sup> November 2017, available online at:  
<https://www.gov.uk/government/publications/industrial-strategy-building-a-britain-fit-for-the-future>

<sup>2</sup> *Strengthened Local Enterprise Partnership's* - published by Ministry of Housing, Communities and Local Government on 24<sup>th</sup> July 2018, available online at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/728058/Strengthened\\_Local\\_Enterprise\\_Partnerships.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728058/Strengthened_Local_Enterprise_Partnerships.pdf)

1.6 Currently there are only 4 key areas where further action is required to ensure full compliance which are as follows:

- I. **Geography** – In relation to geography the LEP review was very clear in its requirement that all instances of overlaps between LEPs should be removed. In D2N2 we currently have an overlap with Sheffield City Region LEP (SCR), in 5 of our districts (Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire). Work is still underway to agree a way forward.
- II. **Board Composition** – The LEP review requires all LEPs to have a 2/3<sup>rd</sup> Private Sector Majority. In order to achieve this D2N2 has increased the size of its board by 1 to 18 and is currently recruiting additional board members from the private sector to take up the existing vacancies and new seat created.
- III. **Single Accountable Body** – D2N2 has historically had 3 separate Accountable Bodies to oversee different elements of its funding. In order to comply with the requirements to move to a single accountable body a procurement exercise is underway to appoint a new single authority.
- IV. **Independent Legal Identity** – The review requires all LEPs to have a formal and independent legal identity. As D2N2 only exists as an informal partnership, in order to comply the D2N2 Board have agreed to become a Company Limited by Guarantee. Further work is underway to confirm the details and structure of the company once established.

## **D2N2 STRATEGIC ECONOMIC PLAN & INDUSTRIAL STRATEGY**

Since the last meeting of the Policy Committee, D2N2 LEP has been through an extensive consultation process on a draft of the Strategic Economic Plan with 5 dedicated consultation events attended by over 200 people and resulting in (to date) 43 written submissions. In consultation, there has been widespread support for the key shift in strategic focus from jobs and homes to a focus on increasing productivity and widening prosperity, with the challenges and opportunities, vision and targets for 2030 and the strategic framework for determining investment priorities broadly seen as appropriate.

Key changes made to the SEP in as a result of the consultation response include;

- a. A stronger narrative on the importance of technology, particularly digital technologies, and innovation in driving change over the strategy period
- b. Clarification that 'opportunity sectors' and 'science and innovation sectors' are all 'priority sectors' but that different sectors and types of sectors are important for different reasons and identification of the types of interventions to drive productivity growth in sectors.

- c. A stronger articulation of the unique potential of the D2N2 geography and the economic relationships between our cities, market towns and rural areas and their contributions to the delivery of the vision
- d. More prominence on the role of D2N2 LEP as an 'advocate' in supporting a strategic dialogue with national government and a collective voice for the area in 'influencing up' on key issues such as employment and skills as well as a 'strategic convenor' in bring partners together.

The SEP supports the LEP acting as described in the Government's Strengthening Local Enterprise Partnerships review, meaning that the LEP will not only determine how LEP area funding allocations are spent, but also act as a strategic convenor for collective action by partners and an advocate for the area to secure greater investment. In order to achieve this the LEP is also looking at a revised governance model for partnership engagement which is currently being developed by the Board.

The SEP will be published by the time of Policy Committee meets, following approval by the Chair of changes as detailed above and reported to the LEP Board. The SEP will set the strategic direction for the LEP until 2030 and be used as the basis for a review of the structure, operation and resourcing of the LEP. The Strategic Economic Plan is the LEP's long term strategy. It is our partnership's analysis of the challenges and opportunities for the area, our vision and framework of priorities. It is 'phase one' of the D2N2 Local Industrial Strategy.

The full Local Industrial Strategy will be jointly developed with Government over the course of 2019, building on the substantial evidence base gathered for the SEP and will be the shared strategy between Government and the LEP for investment and the development of the D2N2 economy. The Local Industrial Strategy will be built on a more 'granular' articulation of our assets and opportunities and informed by additional evidence gathering and consultation. Indicative areas for further research and development to inform the LIS include;

- e. Analysis of the impact of technological and demographic trends on the D2N2 labour market and business' demand for skills and how provision can respond in education and throughout working lives
- f. Fine-grained analysis of D2N2's key specialisms, assets and supply chains
- g. Identification of the approaches and interventions that would have the greatest impact in supporting productivity growth and their spatial distribution and impact
- h. Identification of a criteria based approach to prioritising infrastructure and other investments and packages of investments to promote productivity
- i. Identification of the underlying determinants of D2N2 poor skills, workforce health and social mobility performance

## **D2N2 GROWTH HUB**

D2N2 receives funding from Government to operate the D2N2 Growth Hub offers access to support for businesses across the D2N2 area, through direct advice and referrals to specific support programmes appropriate to the needs of the business. The Growth Hub is delivered in partnership with the East Midlands Chamber of Commerce and local authorities, who can support additional capacity in local areas. To enhance the service in Nottinghamshire, the County Council currently supports a Business Support Coordinator, who works closely with business groups across the County, and a Business Advisor, who works directly with businesses.

The current profile of businesses assisted by the growth Hub, by local authority areas since inception, is illustrated in the attached table.

## **IMPLEMENTATION OF D2N2 LOCAL GROWTH FUND (LGF) PROGRAMME**

D2N2 manages the Local Growth Fund with an allocation of over £250m to deliver a range of specified capital projects supporting business growth, job creation, learners and homes across Derbyshire and Nottinghamshire. Final grant awards are subject to a business case approval and contracting process governed by the D2N2 Local Assurance Framework.

Since the last meeting the formal opening of the Sherwood Visitor centre has taken place and the new industrial units at the Sherwood Energy Village site in Ollerton have been opened. Both interventions received a £0.5m match funding contribution from the D2N2 LEP.

D2N2 has approved the following Local Growth Fund Investments in Nottinghamshire since May 2018 (the date of the last report to this committee) as below.

### **Approved Since May 2018**

<b>Project Name</b>	<b>Brief Description</b>	<b>LGF Investment</b>	<b>Total Cost</b>
Vesuvius	Infrastructure enabling work to unlock employment land in Worksop	£4.5m	£33m
Arnold Market (N2TC)	Purchase and demolition of buildings for renewed town centre	£1.25m	£2.3m
Mansfield Town Hall (N2TC)	Renovation of old town hall for employment and retail units	£0.7m	£1.4m
Beeston Square (N2TC)	Redevelopment of Beeston Town	£0.75m	£10.5m

<b>Project Name</b>	<b>Brief Description</b>	<b>LGF Investment</b>	<b>Total Cost</b>
	Centre for mixed use Leisure and Residential development		

**To be approved**

<b>Project Name</b>	<b>Brief Description</b>	<b>LGF Investment</b>	<b>Board Decision Date</b>
A46 Corridor Phase 3	Infrastructure to unlock the Clifton employment and housing site	£3.25m	Expected 2019/20
Gedling Access Road	Infrastructure to unlock housing development	£10.8m	Expected 2019/20
NTU MTIF Centre	Medical Technologies Incubation facilities at the Clifton Campus and Boots EZ site	£9.7m	March 2019