



To: Chair & Members of the Growth
Scrutiny Committee

The Arc
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Tuesday, 12th November 2019

Dear Councillor

GROWTH SCRUTINY COMMITTEE

You are hereby summoned to attend a meeting of the Growth Scrutiny Committee of the Bolsover District Council to be held in the Council Chamber, The Arc, Clowne on Wednesday, 20th November, 2019 at 10:00 hours.

Register of Members' Interests - Members are reminded that a Member must within 28 days of becoming aware of any changes to their Disclosable Pecuniary Interests provide written notification to the Authority's Monitoring Officer.

You will find the contents of the agenda itemised on page 2.

Yours faithfully

A handwritten signature in black ink that reads "Sarah Steenberg".

Joint Head of Corporate Governance & Monitoring Officer



We speak your language
Polish **Mówimy Twoim językiem**
Slovak **Rozprávame Vaším jazykom**
Chinese **我们会说你的语言**

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or another format please call us on **01246 217753**

If you require an adjustment to enable you to participate in or access the meeting please contact the Governance Team at least 72 hours before the meeting starts.

GROWTH SCRUTINY COMMITTEE

AGENDA

Wednesday, 20th November, 2019 at 10:00 hours in the Council Chamber, The Arc, Clowne

Item No.	<u>PART A - FORMAL</u>	Page No.(s)
1.	Apologies For Absence.	
2.	Urgent Items of Business. To note any urgent items of business which the Chairman has consented to being considered under the provisions of Section 100(B) 4(b) of the Local Government Act 1972.	
3.	Declarations of Interest. Members should declare the existence and nature of any Disclosable Pecuniary Interest and Non Statutory Interest as defined by the Members' Code of Conduct in respect of: a) any business on the agenda b) any urgent additional items to be considered c) any matters arising out of those items and if appropriate, withdraw from the meeting at the relevant time.	
4.	Minutes. To consider the minutes of the last meeting held on 16 th October 2019.	4 - 6
5.	List of Key Decisions and Items to be Considered in Private. <i>(Members should contact the officer whose name appears on the List of Key Decisions for any further information. NB: If Members wish to discuss an exempt report under this item, the meeting will need to move into exempt business and exclude the public in accordance with the Local Government (Access to Information) Act 1985 and Local Government Act 1972, Part 1, Schedule 12a for that part of the meeting only).</i>	7- 12
6.	Briefing from D2N2 Local Enterprise Partnership – Presentation.	13 - 100
7.	Corporate Plan Targets Performance Update - July to September 2019 (Q2 - 2019/20).	101 - 107
8.	Growth Report Update - April 2019 to September 2019.	108 - 121
9.	Development of new Performance Framework to support the vision for 2019-2023.	
10.	Scrutiny Work Programme 2019/20.	122 - 127

PART B - INFORMAL

The formal meeting of the Growth Scrutiny Committee ends at this point. Members will meet informally as a working party to carry out their review work. This meeting is closed to the public, so members of the public should leave at this point.

11. Review Work.

Agenda Item 4

GROWTH SCRUTINY COMMITTEE

Minutes of a meeting of the Growth Scrutiny Committee of the Bolsover District Council held in the Council Chamber, The Arc, Clowne, on Wednesday 16th October 2019 at 1000 hours.

PRESENT:-

Members:-

Councillor Jenny Wilson in the Chair

Councillors Derek Adams, Jim Clifton, David Dixon, Christopher Kane, Tom Kirkham, Tom Munro, Graham Parkin, Peter Roberts and James Watson.

Officers:- Pam Brown (Partnership, Policy & Strategy Manager), Laura Khella (Partnership Consultant Programme Manager), Joanne Wilson (Scrutiny & Elections Officer) and Alison Bluff (Governance Officer).

Also in attendance at the meeting was Councillor Mary Dooley, Portfolio Holder for Partnerships and Transformation.

0360. APOLOGY

An apology for absence was received on behalf of Councillor Tricia Clough.

0361. URGENT ITEMS OF BUSINESS

There were no urgent items of business to consider.

0362. DECLARATIONS OF INTEREST

There were no declarations of interest made.

0363. MINUTES – 19th SEPTEMBER 2018

Moved by Councillor Derek Adams and seconded by Councillor Christopher Kane.

RESOLVED that the Minutes of a Growth Scrutiny Committee held on 19th September 2019 be approved as a correct record.

0364. LIST OF KEY DECISIONS AND ITEMS TO BE CONSIDERED IN PRIVATE

Committee considered the List of Key Decisions and items to be considered in private document.

GROWTH SCRUTINY COMMITTEE

Moved by Councillor Tom Munro and seconded by Councillor Christopher Kane
RESOLVED that the List of Key Decisions and items to be considered in private document by noted.

0365. SCRUTINY COMMITTEE WORK PROGRAMME 2019/2020

Committee considered their Work Programme 2019/2020.

With regard to the Committee's Review of Current and Future External Funding, Members agreed that the following brief be put to the Local Enterprise Partnership (LEP) on 20th November 2019.

While we appreciate the area has had a strong link with the logistics sector and this has seen significant growth over the last few years, we want to ensure we are attracting businesses that will offer highly-skilled jobs, allowing us to move away from employment that has been lower-skilled/lower pay.

We would like to attract businesses linked with green technologies and higher-skilled technologies. We also advocate the idea of linking the re-development of the former Coalite site to green/new technologies, particularly with the push towards electric vehicles and greater use of green energy. As a Scrutiny Committee, this is our vision for the area, but we wish to understand how this fits in to the bigger picture.

What is the LEP's vision/strategy for both the County and Bolsover directly?

What type of Business/industry do the LEP wish to attract to the County and Bolsover District? What growth opportunities do you see?

What level of business support is offered by the LEP either countywide or specific to Bolsover District and how much has been taken up by Bolsover businesses?

How much investment has there been to date and what is planned for the future within Bolsover District?

What engagement has taken place with the business sector in Bolsover and what is planned for the future?

How is the LEP working with education providers so that we can ensure we have the right skills base to attract the industries we want?

We are aware that Derby University have a bigger presence now in the Chesterfield area.

GROWTH SCRUTINY COMMITTEE

How is the LEP building relationships with them?

How could BDC and businesses/organisations in the Bolsover area link better to the university, to secure more opportunities locally?

We are aware from previous work with the Sheffield City Region of the Advanced Manufacturing Park and the Enterprise Zone around Catcliffe.

How are D2N2 LEP making links with the advanced manufacturing and construction sectors, so we can see something similar within our region, which is accessible for the north-east of the county?

How is the LEP encouraging international investment within the region? Is there any regular D2N2 representation at an international level?

Moved by Councillor Tom Munro and seconded by Councillor David Dixon

RESOLVED that (1) the Work Programme 2019/2020 be noted,

(2) the above brief be put to the LEP in advance of the Committee's meeting on 20th November 2019.

The meeting concluded at 1020 hours.



The Arc
High Street
Clowne
Derbyshire
S43 4JY

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Key Decisions & Items to be Considered in Private

To be made under the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

Published on: 18th October 2019

INTRODUCTION

The list attached sets out decisions that are termed as “Key Decisions” at least 28 calendar days before they are due to be taken by the Executive or an officer under delegated powers.

Preparation of the list helps Executive to programme its work. The purpose of the list is to give notice and provide an opportunity for consultation on the issues to be discussed. The list is updated each month with the period of the list being rolled forward by one month and republished. The list is available for public inspection at The Arc, High Street, Clowne, S43 4JY. Copies of the list can be obtained from Sarah Sternberg, Joint Head of Service for Corporate Governance, Solicitor to the Council & Monitoring Officer at this address or by email to sarah.sternberg@bolsover.gov.uk. The list can also be accessed from the Council’s website at www.bolsover.gov.uk.

The Executive is allowed to make urgent decisions which do not appear in the list, however, a notice will be published at The Arc and on the Council’s website explaining the reasons for the urgent decisions. Please note that the decision dates are indicative and are subject to change.

Members of Executive are as follows:

- ∞ Councillor Steve Fritchley - Leader and Portfolio Holder - Policy, Strategy, Resources and Media
- Councillor Duncan McGregor - Deputy Leader and Portfolio Holder - Corporate Governance
- Councillor Mary Dooley - Portfolio Holder - Partnerships and Transformation
- Councillor Clive Moesby - Portfolio Holder - Finance and Resources
- Councillor Sandra Peake Portfolio Holder - Housing and Community Safety
- Councillor Nick Clarke - Portfolio Holder - Environmental Impact
- Councillor Deborah Watson - Portfolio Holder – Street Scene and Environmental Health
- Councillor Liz Smyth - Portfolio Holder – Economic Development

The Executive agenda and reports are available for inspection by the public five clear days prior to the meeting of the Executive. The papers can be seen at The Arc at the above address. The papers are also available on the Council’s website referred to above. Background papers are listed on each report submitted to the Executive and members of the public are entitled to see these documents unless they contain exempt or confidential information. The report also contains the name and telephone number of a contact officer.

Meetings of the Executive are open to the public and usually take place in the Council Chamber at The Arc. Occasionally there are items included on the agenda which are exempt and for those items the public will be asked to leave the meeting. This list also shows the reports intended to be dealt with in private and the reason why the reports are exempt or confidential. Members of the public may make representations to the Joint Head of Corporate Governance & Monitoring Officer about any particular item being considered in exempt and why they think it should be dealt with in public.

The list does not detail *all* decisions which have to be taken by the Executive, only “Key Decisions” and “Exempt Reports”. In these Rules a “Key Decision” means an Executive decision, which is likely:

(1) **REVENUE**

- (a) Results in the Council making Revenue Savings of £75,000 or more; or
- (b) Results in the Council incurring Revenue Expenditure of £75,000 or more

(2) **CAPITAL**

- (a) Results in the Council making Capital Income of £150,000 or more; or
- (b) Results in the Council incurring Capital Expenditure of £150,000 or more

(3) to be significant in terms of its effects on communities living or working in an area comprising two or more wards in the District.

6 In determining the meaning of “significant” the Council must have regard to any guidance for the time being issued by the Secretary of State. The Council has decided that revenue income or expenditure of £75,000 or more and capital income or expenditure of £150,000 or more is significant.

The dates for meetings of Executive for 2019/20 are as follows:

Monday 14th October 2019	Monday 20th January 2020
Monday 18th November 2019	Monday 10th February 2020
Monday 16th December 2019	Monday 24th February 2020
	Monday 9th March 2020
	Monday 30th March 2020
	Monday 27th April 2020
	Tuesday 26th May 2020

The Council hereby gives notice of its intention to make the following Key Decisions and/or decisions to be considered in private:

Matter in respect of which a decision will be taken	Decision Maker	Date of Decision	Documents to be considered	Contact Officer	Is this decision a Key Decision?	Is this key decision to be heard in public or private session
Housing Repairs Establishment review	Executive	18 th November 2019	Report of the Portfolio Holder - Housing and Community Safety	Operational Repairs Manager & Strategic Repairs Manager	Yes involves revenue income or expenditure of £75,000 or more	Exempt Paragraphs 1, 2 3 and 4.
Payment Card Industry Data Security Standard – Update - A report to recommend investment in technical solutions to support compliance with PCI DSS.	Executive	18 th November 2019	Report of the Portfolio Holder - Corporate Governance	Head of Service – Partnership and Transformation	Yes involves revenue income or expenditure of £75,000 or more and/or capital income or expenditure of £150,000 or more.	Exempt Paragraph 3
Award contract for flat roofing repair and replacement for BDC Housing Repairs Section	Executive	18 th November 2019	Report of the Portfolio Holder - Housing and Community Safety	Strategic Repairs Manager	Yes involves revenue income or expenditure of £75,000 or more and/or capital income or expenditure of £150,000 or more.	Exempt Paragraph 3

Matter in respect of which a decision will be taken	Decision Maker	Date of Decision	Documents to be considered	Contact Officer	Is this decision a Key Decision?	Is this key decision to be heard in public or private session
Safe and Warm Scheme – Ashbourne Court, Shirebrook and Parkfields, Clowne	Executive	16 th December 2019	Report of the Portfolio Holder – Housing and Environment	Contract Administrator/ Building Surveyor	Yes – as the decision is likely to result in the Council incurring Capital expenditure £150,000 or more.	Exempt – Paragraph 3
Award of contract for the supply of multi-functional devices (print/copy/scan)	Executive	16 th December 2019	Report of the Portfolio Holder – Corporate Governance	Joint Head of Partnerships and Transformation	Yes - involves revenue income or expenditure of £75,000 or more and/or capital income or expenditure of £150,000 or more.	Exempt Paragraph 3

SCHEDULE 12A
ACCESS TO INFORMATION: EXEMPT INFORMATION

PART 1
DESCRIPTIONS OF EXEMPT INFORMATION: ENGLAND

1. Information relating to any individual.
2. Information which is likely to reveal the identity of an individual.
3. Information relating to the financial or business affairs of any particular person (including the authority holding that information).
4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
6. Information which reveals that the authority proposes –
 - (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or
 - (b) To make an order or direction under any enactment.
7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.



D2N2 Annual Delivery Plan 2019/20



**D2N2 Local Enterprise Partnership:
The spark in the UK's growth engine**



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1.0 Executive Summary

This Delivery Plan sets out what the D2N2 LEP intends to deliver in the coming financial year. It is a dynamic document and thus may be subject to change, as the LEP seizes significant opportunities or responds to key challenges that might impact on the national and local economy.

Where that is the case and it results in a material change to any of the data, timelines or objectives shown in the Delivery Plan, this will be reflected in an updated version posted on the LEP's website and shared with Government as soon as is practicable.

In the year ahead, the D2N2 LEP will focus on the effective delivery of the approximately £500million worth of public funding programmes that it manages, and maximise their benefit to the local economy. Building on our **Vision 2030 Strategic Economic Plan** we will produce a compelling Local Industrial Strategy. We will fully implement all aspects of the LEP review and continue to strengthen our governance and executive team to ensure that we are well placed to help the local economy meet the challenges and opportunities ahead; including BREXIT, HS2 high speed rail, and the opportunities flowing from the Government's Industrial Strategy and UK Shared Prosperity Fund.

2.0 Introduction

The D2N2 LEP is the Local Enterprise Partnership for Derby, Derbyshire, Nottingham and Nottinghamshire and was established in 2010. The LEP is a private sector-led, partnership between business, local authorities, skills and training providers, and community and voluntary organisations.

Our core objectives as a LEP are to drive productivity and economic growth for the D2N2 economy through working collaboratively with our partners. We will proactively champion the D2N2 economy and act as an advocate for the challenges and opportunities within our area.

The values that underpin our objectives are:

- We will work collaboratively with our external partners and stakeholders.
- We are intelligence-led in our decision-making and aim for inclusivity and innovation in the ways we devise strategy and support delivery.

D2N2 is now a formally constituted company, limited by guarantee, with a board of 18 directors.

This document sets out the targets and the plan for delivery within the D2N2 Local Enterprise Partnership area for the 2019/20 financial year. The intention of this document is to set out a more transparent plan to the public to measure the impacts and plans for delivery of the LEP. The Delivery Plan was approved by the LEP Board on May 14th, 2019 and will be circulated to the relevant key stakeholders in the area as well as being publicly accessible through the LEP's website.

This plan sets out the outputs and deliverable measures the LEP intends to deliver in 2019/20 and will be utilised at the end of the year as a way of monitoring progress against

the document's targets. This evaluation of the projected impacts against the real impacts delivered will be published on the LEP's website in 2020

Corporate Priorities for 2019/20

The overall corporate priority for D2N2 LEP is to be a strong and effective partnership that drives economic benefit for the whole D2N2 area. To pursue this, our corporate priorities for 2019/20 are to:

- Demonstrate a strong record on delivery and managing the funding allocated to us.
- Fully implement all aspects of the LEP review with strengthened governance processes to give Government the confidence to continue to invest in developing the D2N2 economy.
- Publish a compelling Local Industrial Strategy with clear priorities.
- Work with partners to promote investment to deliver our Vision 2030 Strategic Economic Plan.
- Remain outward looking, evidence led, and responsive to opportunities and collaborative to deliver our shared ambitions.

3.0 Strategy

3.1 Strategic Economic Plan

The D2N2 LEP published its refreshed Strategic Economic Plan (SEP) 'Vision 2030' in March 2019. This sets out a refreshed plan on how we move the D2N2 economy to the next level. Our vision is that, by 2030, D2N2 will have a transformed high-value economy; which is prosperous, healthy and inclusive, and one of the most productive in Europe. The new revised SEP aims to deliver the following ambitious targets:

- Be in the top quarter of productive local economies in Europe.
- Increase the value of our economy to £70billion, with £9bn added by the actions of this Plan.
- Enjoy prosperity levels in the top quarter of all LEP areas.
- Raise real wages and narrow inequality by a rise in median weekly earnings of at least 40% and narrow wage disparities within D2N2.
- Maintain a high and stable employment rate with a workforce of some one million people.
- Reduce the gap in economic activity levels between places in the D2N2 area.
- Eliminate the gap in workforce qualifications between the UK and D2N2.

The SEP is intended to be the economic blueprint for the D2N2 area until 2030, forming the basis for future investment decisions by the LEP and its partners. The Plan is built on a strong evidence base and analysis of the D2N2 economy; this and our current economic outlook (**summarised below**) will act as the strategic foundation for the LEP to build its Local Industrial Strategy (LIS) in partnership with Government:

Key Performance Indicators	D2N2 performance			National performance			
	Latest Position	Latest Change	Trend 2010-17	Latest Position	Latest Change	Trend 2010-17	Latest Year
ECONOMIC INDICATORS							
Productivity (GVA per FTE, £)	£58,410	2.3%		£ 70,253	2.3%		2016
Private Sector Employees (number)	760,694	2.2%		21,017,840	2.3%		2016
Private Sector Employees (%)	81.7%	0.2% pt.		82.9%	0.3% pt.		2016
Economically active employment rate (%)	95.8%	0.4% pt.		95.1%	0.3% pt.		2017
Working age population with L4+ qualifications (%)	31.6%	-0.4% pt.		38.3%	0.4% pt.		2017
Apprenticeship starts (number)	23,750	-2.4%		485,500	-3.7%		2016
Claimant count, No. *	27,850	11.5%		759,610	14.4%		2018

The table is colour coded as follows:

- Green: Latest year over year (YoY) increase and short-term positive trend (latest value above 2013 value)
- Orange: Latest YoY decrease but short-term positive trend
- Red: Latest YoY decrease and short-term negative trend (latest value below 2013 value)

In D2N2, we;

- Have a strong and growing business base with over 72,000 firms and, on average, lower death rates and slightly higher birth rates than nationally.
- Have a strong track record in supporting private sector job creation. In the almost four years since we met our ten year '55,000 new jobs target', we have supported the creation of over 63,000 new private sector jobs in the local economy. This has contributed to our high and growing employment rate, which continues to improve, exceeding the national rate.
- Are an outward looking area, at the heart of the UK but with a strong export performance. The D2N2 LEP area's exports of goods were valued at £11.7 billion in 2015, with 41% of exported goods going to EU countries.
- Are building homes but less quickly than the national rate. Since 2011 the dwelling stock in the D2N2 area increased by 2.6% compared to 3.3% nationally. However housing is more affordable in D2N2 than the England average, although the ratio of median house price to annual salary continues to rise.
- Have significant, persistent and related productivity and disposable household income gaps between the D2N2 area and national averages.
- Have a working age skills profile which remains lower than the national average, and are not making the same rate of progress reducing the number of individuals claiming long-term illness or disability benefits than is being made nationally.

Looking at the overall economic metrics for D2N2, however, only tells part of the story. We are a diverse area and our metrics vary significantly between places, which illustrates not only the diversity but also the inter-connectedness between places within the D2N2 functional economic area in terms of travel to work, housing markets and key transport routes.

3.2 Local Industrial Strategy

As aforementioned the LEP will continue to progress the evidence base work carried out through the development of its refreshed SEP and move this work in to the formation of a new Local Industrial Strategy in partnership with Government and will become the shared strategy between Government and the LEP for investment and the development of the D2N2 economy.

D2N2 will conduct major stakeholder engagement across the geography to ensure that an all-encompassing analysis is carried out and will publish a draft submission to Government in November 2019, with the aim of the final document being agreed and published in partnership with Government by March 2020.

We will work collaboratively with our local and regional partners in developing our shared objectives for delivering improved productivity and economic growth. In particular we will work with neighbouring LEPs through both the Midlands Engine and to the North of the sub-region where we have shared economic interests in both Sheffield City Region and Greater Manchester.

D2N2 LIS timeline	
Collate and test evidence base:	March to July 2019.
Publish Consultation Document and Evidence Review:	July 2019
Consult on draft Local Industrial Strategy:	October 2019
Approve draft for co-development with HMG:	November 2019
Co-development process with HMG:	November 2019 to March 2020
Final approval and publication:	March 2020

4.0 Governance

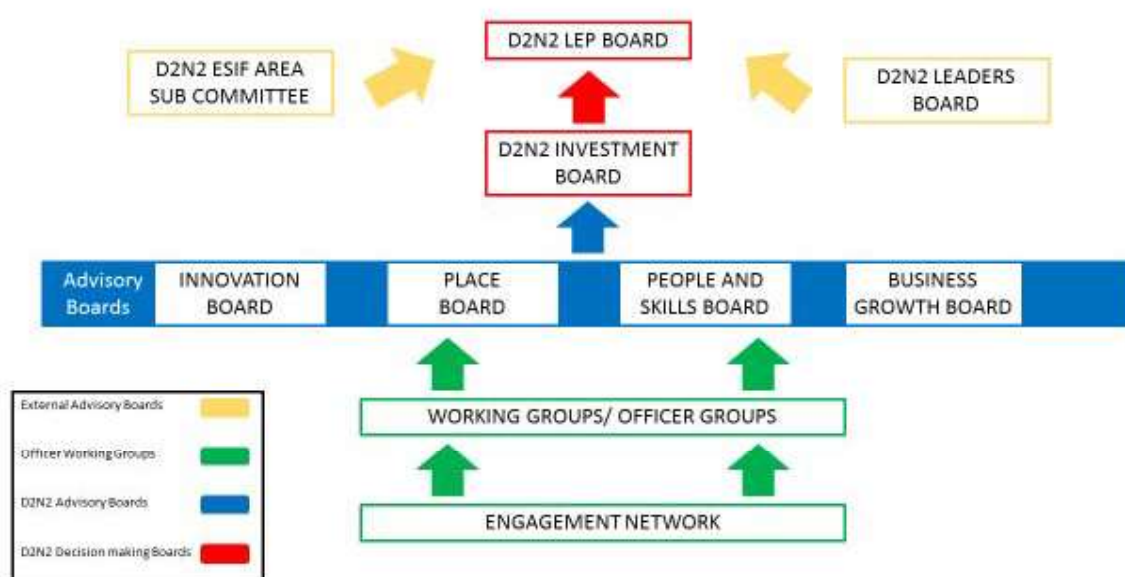
D2N2 is fully committed to embedding the highest levels of transparency and accountability in all aspects of its governance and decision making. Significant progress has been made over the last year towards achieving this and further changes are planned to continue strengthening our overall governance.

A full review of all governance was put in place following the delivery of the Ney Review and the reissuing of the National Assurance Framework (NAF) in December 2018. Following the publishing of this document, D2N2 have prepared a new draft of the Local Assurance Framework (LAF) which includes all compliance points in line with the NAF. The newly revised LAF was approved by the LEP Board on the 19th of March.

The revised LAF sets out the new governance structure for all of the LEP's Boards and sub-groups, including details of the memberships for these boards.

D2N2 has also committed to fully implementing all aspects of the LEP review, and has made good progress towards demonstrating full compliance. This includes a refreshed board with five new private sector board members to ensure a 2/3rd private sector majority board. We are also now a company limited by guarantee as of April 1st, 2019, and we have also moved towards a single Accountable Body from previously having three separate arrangements.

On the back of the LEP review and in order to strengthen the LEP's ability to be more inclusive and collaborative, a new board governance structure has been put in place which is aligned to the priorities of the Strategic Economic Plan. The diagram below sets out the new governance model.



As part of the new governance model the LEP is working towards the establishment of a new Investment Board which brings together the co-ordination and management of all LEP funding including Local Growth Fund, Growing Places Fund and any funding associated from the Enterprise Zones.

Beyond the Investment Board, four advisory boards which will inform the strategic direction of the LEP and its investments have been created and are being established during the first quarter of 2019/20. These boards are:

- Innovation Board
- Place Board
- People and Skills Board
- Business Growth Board.

All boards will be chaired by a private sector LEP board member, and include partners from across the public and private sector partners and stakeholders. These boards will act solely as advisory boards to the Investment and LEP Boards where decisions on funding will continue to be made.

5.0 Delivery in 2019/20

This section sets out the areas that the LEP will be delivering in terms of investment of its resources.

5.1 Organisational Resources

The structure of the D2N2 Executive Team continues to evolve to meet the challenges and opportunities that we face. The current D2N2 team is led by a Chief Executive, appointed in December 2018, with a lean team of 14 directly employed staff.

All staff are employed directly by the East Midlands Chamber as the host employer for D2N2 through a service level agreement, but report directly to the LEP Chair through the LEP Chief Executive.

In order to meet the needs of a strengthened LEP and fully implement the revised governance model a full review of the capacity and capability of the current staffing structure is underway in the first quarter of 2019/20, with a view to implementing a new structure that supports the enhanced role of the LEP whilst remaining affordable within the budget constraints.

In terms of resources, the D2N2 Executive Team is primarily funded from Government core funding, which is locally matched by the four upper tier authorities with additional funding through programme funding contributions.

5.2.1 Careers

D2N2 is the coordinating body for the Enterprise Advisor Network (EAN) across the LEP area, backed by the Government-sponsored Careers & Enterprise Company (CEC) and the European Community. The EAN's work is funded by the CEC, to a maximum of £230,000 per annum, plus match funding from local authorities across D2N2 (fully funded in the Derby Opportunity Area).

In addition to core EAN funding, in May 2019 D2N2 were also successful in securing further CEC funding for a Careers Hub for the North Derbyshire cluster of 21 schools. The Careers Hub attracts additional funding of £81,000 to deliver this intensive support.

5.2.2 Skills Advisory Panel

In 2018 the Department for Education (DfE) published details of requirements for LEPs to deliver a Skills Advisory Panel as part of their people and skills governance. D2N2 has received £75,000 from DfE to kickstart the development of the panel and help build the analytical capacity that will be required to deliver it.

5.2.3 North Derbyshire Manufacturing Zone

D2N2 has been successful in securing £220,000 towards the development of a potential Manufacturing Zone in North Derbyshire working in partnership with North-East Derbyshire District Council, Bolsover District Council, Chesterfield Borough Council and Derbyshire County Council.

The proposal will look at funding studies and feasibility work for a collection of sites in the Local Authority areas to accelerate development in these areas, using a variety of mechanisms to do so. D2N2 will work with its partnering authorities to play a role in the delivery of these pieces of work, through the various sub-boards and the project control board which has been established to drive progress in the area. The feasibility studies will look at:

- Local Development Orders
- a Mobility strategy
- a Commercial Development Design Guide.

The £220,000 allocated to the project must be fully utilised and spent by March 2020, and will be subject to monitoring by the Ministry for Housing, Communities and Local Government.

D2N2 will work with all delivery partners to ensure that all reporting and the delivery of the final studies is completed for implementation by March 2020.

5.2.4 DCMS (Department for Digital, Culture, Media & Sport) Digital Skills Innovation Fund

D2N2 are the Accountable Body for the newly approved funding to this area, in partnership with Sheffield City Region, and linking to the Leicester and Leicestershire Enterprise Partnership (LEEP) and Greater Lincolnshire LEP (GLEP). The £268,000 project will support 325 people from under-represented groups; focusing on women and autistic people, and building pathways to digital jobs using an innovative model combining tested practice. We are one of four other pilot areas delivering our project; along with Lancashire, Heart of the South West and West of England. This will be delivered through until September 2019 with a national evaluation being carried out to understand its impact.

5.2.5 Support of HS2 Delivery

HS2 represents a truly transformational opportunity to strengthen connections internally and externally. D2N2 will host the East Midlands HS2 Hub Station at Toton, with a further stop at Chesterfield and an Infrastructure and Maintenance Depot at Staveley. Working collaboratively with other LEPs and partners across the East Midlands we have developed a shared East Midlands Growth Strategy for HS2 which designates two regional 'HS2 growth zones', both within the D2N2 area. Each one of those zones has a collaborative multi-partner approach to realising the economic benefits of the HS2 for the local area; within a wider approach to maximising wide connectivity, business and skills benefits.

D2N2 is responsible for managing funding from Government to support the delivery of HS2 activity on the ground. We will continue to work with our partners to actively support the delivery of HS2 and its associated benefits through the HS2 Delivery Group and the emerging Development Corporation.

5.2.6 Support for Midlands Engine

We will continue to contribute and actively work with partners across the Midlands Engine area to support the collective vision for supporting the growth of the Midlands economy. This includes contributing to the core Midlands Engine offer as well as sponsoring our local

investment teams to take part in the joint Team Midlands approach at MIPIM promoting trade and investment opportunities across D2N2.

5.3 Programme Delivery

5.3.1 Local Growth Fund

The Local Growth Fund has approved 39 projects to date and continues to allocate and deliver funding to projects across the D2N2 area. The fund is now going into its fifth year of a six year programme and has spent £164.2m of its £250m allocation so far.

In 2019/20 we will continue to focus on ensuring robust delivery of the LGF programme and work closely with project promoters to deliver to time, on budget and whilst achieving key output and outcome targets. Our target for spend in this year is £40million, which includes bringing forward at least £23m of the underspend from previous years.

As we enter the last two years of the programme we will particularly focus on ensuring that the nine projects which have yet to come forward with full business cases are closely monitored, to mitigate any risks to the overall programme targets being achieved in terms of spend and output targets.

We have agreed milestones for each of the remaining projects in the programme, to be used as the basis of monitoring progress. Any projects which consistently miss the key agreed milestones will be formally reviewed by the second quarter of 2019/20.

The following projects are currently live and progressing through the 2019/20 period.

Project Name	Total project Cost	LGF Funding	Completion Date
Nottingham Broadmarsh/ Southern Gateway	£55.5m	£25.3m	April 2021
Newark Southern Link Road	£47m	£7m	
Derby Cycle and Placemaking	£1.9m	£1.65m	
Our City, Our River	£90m	£12m	2021
A52 Wyvern	£14.9m	£6.72m	
Tudor Cross	£18.41m	£5.8m	
A46 Corridor Rushcliffe	£TBC	£6.25m	2021
Midland Mainline	£53.3m	£5m	Sep 2019
Buxton Crescent	£51.6m	£2m	Dec 2019
Silk Mill World Heritage Site	£16.4m	£3.7m	July 2020
Nottingham City Hub	£58m	£30m	Sep 2020
N2 Town Centres	£20m	£7.63m	2021
Nottingham Castle	£31.3m	£5m	Dec 2019
Vesuvius	£38m	£4.49m	Mar 2021
NTU Medical Technology Innovation Facility Centre	£22.9m	£9.7m	Aug 2020

Nine projects remain to be approved in the 2019/20 financial year, these are

Project Name	Total Cost	LGF Award	Business Case submission Date
Gedling Access Road	£41m	£10.8M	Q3 2019/20
Becketwell	£50m	£8.12m	Q4 2019/20
A61 Corridor	£23m	£15.6m	Q2 2019/20
Ashbourne Airfield	£9.4m	£1m	Q3 2019/20
Castleward	£6m	£1.51m	Q4 2019/20
Woodville – Swadlincote Regeneration Route	£10.5m	£6.4m	Q3 2019/20
Riverside Business Park	£17.4m	£3.35m	Q1 2019/20
HS2 Strategic Sites	£TBC	£2.4m	Q2 2019/20
Derby New Assembly Rooms	£24m	£4.48m	Q2 2019/20

In terms of outputs delivered to date the table below summarises the current total position against the overall targets:

Output	Actuals to date	Targets to date	Overall Target
Jobs	2,501	2,599	29,000
Homes	1,070	2,073	10,700
Learners	405	1,292	147,000

The following outputs are expected to be delivered in the 2019/20 delivery year.

Project	Jobs	Homes	Learners
A46 Corridor, Rushcliffe	25	100	
A52 Wyvern	300		
A57/A60 Worksop	200		
Ada Lovelace House	3		
Bulwell Market	8		
Buxton Crescent	140		
Chesterfield Centre for Higher Level Skills	9		319
Coalite	402		
Dakeyne Street	1		
Derbyshire Broadband	100		
Harworth Access Road	428	60	
Infinity Park	1151		
Institute of Advanced Manufacturing	10		
MediCity	40		
N2 Town Centres	282		
Newark Southern Link Rd	1000		
Nottingham Castle	296		
Our City, Our River	1200	350	
Seymour Link	415		
Sherwood Energy Village	19		
Sherwood Visitor Centre	6		

Project	Jobs	Homes	Learners
Sutton Indoor Market	2		
Technology Hub	1		
Vesuvius	95		
Total	6,133	510	319

5.3.2 Development of a refreshed infrastructure pipeline

The D2N2 LEP will work with its strategic partners to develop a newly refreshed pipeline of infrastructure priorities which builds on the 2018/19 Infrastructure plan work and will work in conjunction with the production of the Local Industrial Strategy. A refreshed pipeline is key to taking advantage of any potential funding opportunities which may arise, such as the UK Shared Prosperity Fund, as well as providing flexibility and assurances to current programmes.

The LEP will carry out this pipeline analysis during the first half of 2019/20.

5.3.3 Enterprise Zones

The D2N2 Enterprise Zone has made significant progress towards delivery in the 2018/19 delivery year and will continue to capitalise on new developments in the year ahead. Progress is taking place on all the sites within the Enterprise Zone area, the following developments are expected to take place in the 2019/20 delivery year:

- Construction of the Nottingham Science Park Building No.2 project will progress through the year with completion taking place in Q4 2019/20. The new facility will provide Grade A office space and enhance the site in to its second phase of development.
- D2N2 will continue to work with Derby City Council to progress a funding mechanism to deliver the Mulberry development project on Infinity Park Derby. The project will deliver new warehouse and office space on the site, with construction due to start on site in Quarter 3 2019/20.
- Development of the second phase of Nottingham Trent University's Medical Technology Innovation Facility will begin at the Boots Enterprise Zone in Q2 2019/20.

Overall through the investment taking place in the Enterprise Zone in 2019/20 the following outputs will be delivered:

- Create at least 14,974 square metres (m²) of new additional floorspace on the Enterprise Zones.
- Invest at least £13m of funding in to the Enterprise Zones through grants and retained rates.
- Unlock the creation/safeguarding of 1,100 jobs.
- Increase the retained business rates across the sites by £600,000 per annum.

D2N2 is also conducting a full review of all its Enterprise Zone sites. This will look at progress to date, alongside opportunities for accelerating development across all the sites. This work is targeted for completion at the beginning of Quarter 2 2019/2020

5.3.4 Growing Places Fund

To date we have made eight investments through our Growing Places Fund, allocating over £11.75 million worth of loans to projects to enable them to create new jobs for the D2N2 area economy. The previous year saw no further full loan awards from the Growing Places Fund. D2N2 LEP has commissioned a review of the Fund to see if remains fit for purpose and identify current barriers for unlocking investment that this fund could help unlock.

The LEP will complete this review exercise by Quarter 2 of 2019/20.

5.3.5 European Structural Investment Funds

In 2019/20, D2N2 LEP will convene the D2N2 ESIF Sub-Committee with the aim of fully committing its allocation of over €250million of European Structural and Investment Fund (ESIF) funding to support the delivery of our updated Strategic Economic Plan and ESIF Strategy. We will oversee the delivery of a number of currently funded programmes throughout the year. We will also work with potential applicants through our Technical Assistance service to support the development of high-quality applications, and to enable D2N2 to benefit from any opportunities to be opened through national calls for 'reserve funds'.

European Regional Development Fund (ERDF)

ERDF Projects which will continue to deliver in 2019/20

The D2N2 ESIF Sub-Committee will continue to oversee the delivery of a significant portfolio of ERDF funded projects.

Project	Grant Recipient	Priority Axis	Completion Date	ERDF Contribution
Catalysing Growth through Research for Transport Equipment Manufacturing	University of Derby	1	30/06/2019	
D2N2 Digital Business Growth Programme	Nottinghamshire County Council	2	30/09/2019	
Midlands Engine Investment Fund (PA3)& (PA4)	Department for Business, Energy and Industrial Strategy ("BEIS")	3	31/12/2023	
Up-Scaler	Nottingham Trent University	3		
Invest in D2N2	Nottingham City Council	3	31/10/2019	
Growing Enterprise	NBV Enterprise Solutions Ltd	3	30/09/2019	
The Creative and Digital Industries D2N2 Consortium for increased SME Competitiveness	Nottingham City Council	3	30/09/2019	
Trent Basin Community Energy	University of Nottingham	4	31/03/2021	
DREem (Deep Retrofit Energy	Nottingham City	4	31/12/2020	

Project	Grant Recipient	Priority Axis	Completion Date	ERDF Contribution
Model)	Council			
D2EE -(D2 area Energy and Efficiency)	University of Derby	4	31/10/2019	
Munio 2	Derby City Council	5	30/04/2021	
Project MUNIO	Derby City Council	5	01/12/2019	
Developing A World Class Destination - Green Infrastructure in North Derbyshire	Derbyshire County Council	6	31/03/2020	
Derby-Nottingham Metro Area Biodiversity	Nottingham City Council	6	31/12/2019	

ERDF Projects that will begin to deliver in 2019/20 (subject to contract)

It is expected that all the D2N2 ERDF allocation for Priority Axes 1,2,3,5 and 6 will be fully committed by the Summer of 2019 and with a number of projects either being extended to deliver through 2019/20 or new projects contracted to begin delivery.

Project	Grant Recipient	Priority Axis	ERDF Contribution
Productivity through Innovation	University of Nottingham	1	
INSTILS Phase 2	Medilink East Midlands Limited	1	
Driving Research and Innovation	University of Nottingham	1	£2,333,460
NTU Enterprise and Innovation Centre PA2	Nottingham Trent University	2	
Nottingham Incubators March 18 PA2	Nottingham City Council	2	
Digital Technology Hub PA2 (SUDS)	Nottinghamshire County Council	2	
Digital Up-Scaler	East Midlands Chamber	2	£945,736
NTU Enterprise and Innovation Centre PA3	Nottingham Trent University	3	
Nottingham Incubators March 18 PA3	Nottingham City Council	3	
Midlands Engine Export Grant Scheme	Department for International Trade (DIT)	3	
Manufacturing Growth Programme II	Oxford Innovation Services Ltd	3	
Growing Enterprise 2 (GE2) D2N2	NBV Enterprise Solutions Ltd	3	
FEAST2	The Food and Drink Forum	3	
Enscite 3	University of Derby	3	
Digital Technology Hub PA3 (SUDS)	Nottinghamshire County Council	3	
D2N2 SME Growth & Innovation Programme Phase 2	East Midlands Business Limited	3	
D2N2 Growth Hub 2.0	Nottingham City Council	3	
Better Off in Business (BOIB) – Phase 2 D2N2 DEC 17	The Prince's Trust	3	
Invest in D2N2	Nottingham City Council	3	£1,875,860
The Big House	Nottingham City Council	3	£2,218,222
Supply Chain Improvement Network	University of Nottingham	3	£1,192,805

Project	Grant Recipient	Priority Axis	ERDF Contribution
(SCINet)			
Delivering a World Class visitor Economy within Derbyshire (Phase 2)	East Midlands Chamber Ltd	3	£610,301
NTU Enterprise and Innovation Centre PA4 (SUDS)	Nottingham Trent University	4	
Nottingham Incubators March 18 PA4 (SUDS)	Nottingham City Council	4	
N2EG (N2 Energy Grants)	Nottingham City Council	4	
Digital Technology Hub PA4 (SUDS)	Nottinghamshire County Council	4	
DE-carbonise D2N2	University of Derby	4	£2,610,240
Energy Innovation and Collaboration – Energy for Business	University of Nottingham	4	£1,840,767
Project MUNIO II – a Derwent Parade	Derby City Council	5	£1,080,000
Derby-Nottingham Metro Area Biodiversity Action: Phase	Nottingham City Council	6	£1,051,102

ERDF Calls Schedule for 2019/20

We are anticipating the launch of a new call for the remaining £4million of ERDF PA4 (Supporting the Shift Towards a Low Carbon Economy) and the approximately £1.2m that it is anticipated will remain from Priority Axis 3 (SME Competitiveness).

Priority Axis	ERDF Contribution	Call Open
3	£1,170,000	June 2019
4	£4,000,000	June 2019

Nottingham Sustainable Urban Development (SUDs)

We are currently working with Nottingham City Council to promote and develop capacity of potential applicants for the current Nottingham Sustainable Urban Development call to run projects for

- PA2 - enhance access to, and use and quality of ICT (total ERDF £283,568);
- PA3 - enhance the competitiveness of SME's (total ERDF £1,428,483) and
- PA4 - support the shift towards a low carbon economy (total ERDF £1,338,671)

This call will close on April 26, 2019

European Social Fund (ESF)

ESF Projects that will continue to deliver in 2019/20

The primary focus for 19/20 will be to deliver all the contracted ESF programmes and to run calls throughout 2019 for projects to commit the remaining £26.1million of ESF.

Project	Grant Recipient	Investment Priority	Completion Date	ESF Contribution
INSPIRE Local	FedCap Ltd			
Money Matters	St Ann's Advice Centre			
Towards Work	Groundwork Nottingham			
Opportunity and Change	Framework Housing Association	1.4		£2,317,400
Nottingham Works	Nottingham City Council			
Get Ahead	Nottingham City Council			£952,884
Move Ahead	Nottingham City Council			£458,256
Stay Ahead	Nottingham City Council			£616,636
Priority Skills for D2N2 SMEs	Nottingham Trent University	2.1		£1,087,155
GRADS (Graduate Retention & Delivering Skills for SMEs)	Nottingham Trent University	2.2		£3,669,519

ESF Projects that will begin to deliver in 2019/20 (subject to contract)

Project	Grant Recipient	Investment Priority	ESF Contribution
D2 - Skills Support for the Workforce and Redundancy	Serco	2.1	£8,370,000
N2 - Skills Support for the Workforce and Redundancy	Serco	2.1	£8,370,000
Youth Engagement in D2N1	DTS / learndirect	1.2	£3,024,000
Community Grants in D2N2	Futures Group Nottingham	1.4	£1,350,000
Project(s) to deliver Access to Employment for Jobseekers and Inactive People in the D2N2 LEP area Call (OC08S18P1168)	TBC	1.1	(up to) £8,100,000
Project(s) to deliver Careers & Employability Service for those at risk of becoming NEET in the D2N2 LEP Area Call (OC08S18P1196)	TBC	1.2	(up to) £1,000,000
Project(s) to deliver Active Inclusion in D2N2 Call (OC08S18P1107)	TBC	1.4	(up to) £1,500,000

ESF Calls Schedule for 2019/20

ESIF sub-committee have agreed the following ESF programmes to be procured by the DWP open call process;

Call Title	Call Open	Investment Priority	ESF Contribution
Digital skills for the Unemployed		1.1	£1,132,973
Digital Skills for the Employed		2.1	£2,000,000
D2N2 Skills Access Hub		2.2	£2,400,000
D2N2 Careers and Employability Hub		2.2	£1,522,181
Healthy Work		1.1	£4,000,000
Technical Construction Skills for the unemployed		1.1	£2,000,000
Supporting Progression into Food and Drink manufacturing sector		1.1	£1,100,000
Wellbeing support for young people who are NEET		1.2	£494,784
Health and Social Care Workforce Development Programme		1.4	£1,814,046
Active Inclusion Programme Theme 1 – Multiple and Complex Needs			£2,500,000
Active Inclusion Programme Theme 2 – Progress Towards Work			£2,000,000
STEM skills in D2N2		2.1	£1,000,000
Fuller Working Lives project (Health and Wellbeing)		2.1	£1,000,000
Leadership and Management Training for SME's		2.1	£1,778,187

European Agricultural Fund for Rural Development (EAFRD)

EAFRD Funded Projects that will deliver in 2019/20

Project	Grant Recipient	EAFRD Contribution
Nine projects contracted	Various	£938,601

ESIF Monitoring & Evaluation

For all ESIF funded projects within D2N2, we will support projects to undertake and share learning from their Summative Assessments through the D2N2 Technical Assistance programme.

5.3.7 Growth Hub

The D2N2 Growth Hub has been running since December 2014. It is funded through BEIS and ERDF, and the first tranche of EU funding was completed in March 2019.

The Growth Hub sought to increase the growth and competitiveness of businesses in the D2N2 area by helping them to recognise the value of, and increase engagement with, business service provision. It included a Core Front Line Growth Hub Service, primarily delivered by East Midlands Chamber, and Enhanced Local Services Provision, delivered by local authority partners. Key elements of delivery included: Information, Diagnostic and Brokerage (IDB) support; more detailed one-to-one Business Adviser support; and the provision of events and workshops. The Project also incorporated a Growth Hub Enquiry team, a marketing function and a Partnership Manager. Nottingham City Council was the Project's Accountable Body on behalf of Growth Hub partners; and the D2N2 Local Enterprise Partnership (LEP) provided strategic oversight.

The Growth Hub has recently entered a new period of 'Growth Hub 2.0', which is a £12m programme including a grant scheme. It started in April 2019. In terms of the future focus of the Growth Hub this will be aligned to ensure it supports the enhanced productivity objectives of the Vision 2030 SEP.

The following targets will be monitored up until March 2022:

Growth Hub targets for the ERDF funding over three years

(April 2019 – March 2022)

- **C1 – 12hr assists – 570**
- **C2 – SMEs receiving grants – 200**
- **C5 – New Enterprises Supported (12hrs with SMEs who have registered within 12months) – 20**
- **C8 – New Jobs created – 100**
- **P13 – 3hr assists – 942**

5.3.8 Careers and Enterprise Company

The Careers & Enterprise Company work will continue into 2019/2020, with full coverage of the D2N2 area in each district and borough authority. Through the work of the Enterprise Advisor Network the following targets have been outlined for delivery in 2019/20:



In the academic year 2018/19 this work expanded to encompass ten (7.5 FTE) Enterprise Coordinators, targeted to work with up to 150 secondary schools across the area. The work improves the linkage between young people and local labour market needs, by working strategically to build relationships between secondary schools and local businesses.

In May 2019 D2N2 were also successful in securing funding for a Careers Hub for the North Derbyshire cluster of 21 schools. This work will build intensively on the progress made through the EAN but work on a wider range of careers-related activity.

The learning from the Hub will inform the development of LEP-wide services for schools and best practice in careers education across the whole D2N2 area. Hub delivery will run throughout the 2019/20 academic year.

5.3.7 Evaluation

In 2019/20 we will commission an independent evaluation framework to review the impact of delivery to date of LEP-funded activities. This will also help to design a framework to measure and track the impact of future investments.

The above will help to inform future priorities and feed best practice into using future resources such as the UK Shared Prosperity Fund, Stronger Towns Funding and any other future funding made available; to deliver the area's shared priorities as set out in the Vision 2030 SEP and emerging Local Industrial Strategy.

6.0 Marketing and Communications

D2N2's 2019/20 Communications & Marketing Plan will support the LEP objectives detailed in *Vision 2030* and within this Delivery Plan.

Vision 2030 provides the strategic context for the area's aspirations around inclusivity, skills development, sustainable employment and economic growth. Given the focus on productivity within Vision 2030 the LEP will particularly want to promote activities and impact around cracking the 'productivity puzzle'. The Communications & Marketing Plan will, therefore, strongly reflect this theme, as well as others mentioned, by taking any opportunity to highlight examples and case studies of good practice in the D2N2 LEP area.

Delivery over the year will bear in mind reaching all stakeholders – private sector (big business and SMEs), public sector (local authority partners and Government), partners (skills and training providers, community and voluntary services sectors) and the wider public – using the following channels:

- **Distributed press releases, news and web articles** (LEP generated and jointly with partners) – Highlighting major funding announcements and completion of projects, emphasising practical benefits (productivity, jobs, investment). Distribution to regional, specialist and national print, broadcast and digital media outlets.
- **Media liaison** – Both proactive on positive news and quickly responding to 'negative comms', ensuring the LEP viewpoint is reflected in any stories.
- **Website(s)** – Currently LEP, Growth Hub, Skills and Technical Assistance. Planning for a redesign and development of a new website is underway, with a view to being in place by the second quarter of 2019/20.
- **Social media** (currently using Twitter, LinkedIn, Google Plus, YouTube, Facebook) – Our @D2N2LEP Twitter account now has 7,506 followers (500 added since January 2019).
- **Regular newsletters** - Our newsletters (via MailChimp) were recently redesigned and now reach around 1,850 recipients. We will continue to review both content and reach to ensure relevance to our stakeholders.
- **Events** – For 2019 include the Annual Conference in September 2019 and Local Industrial Strategy consultation events along with ESIF Technical Assistance events
- **Internal Communications** – Media training sessions for D2N2 senior staff to widen the organisation's pool of available commentators.

Impact will be measured through:

- Media Coverage reports to D2N2 LEP Board, which will show increased 'reach' or audience share of potential readers/listeners/viewers of D2N2 related news.
- Completion of website(s) redesign.
- Increased story count on website and on social media channels.
- D2N2 social media channels' growth.
- Successful staging of Annual Conference and LIS consultation events.
- Production of *Annual Review* document.
- Media training of staff and their becoming active media commentators.

VISION 2030

THE SPARK
IN THE UK'S
GROWTH
ENGINE

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University of Nottingham's £24million Advanced Manufacturing Building (officially opened December 2018) received £5m from D2N2's Local Growth Fund allocation. It provides training and research in advanced manufacturing techniques.



Foreword

Our vision is that, by 2030, D2N2 will have a transformed high-value economy; which is prosperous, healthy and inclusive, and one of the most productive in Europe. This Strategic Economic Plan is for every business, place and person in D2N2. It is an ambitious plan. We will be the spark in the engine that powers UK growth.

Our recent progress in creating new private sector jobs has been excellent but we must tackle our productivity gap, if we're to remain a competitive business location and deliver long term prosperity. We still produce too little output for the number of hours worked, and have too many people in lower paid jobs and too few in higher paid occupations. There's a significant variation in the economic conditions experienced by communities across our area.

We know that industry, the way we work and our high streets are changing through digitalisation; that society is ageing; and our businesses must adapt to a changing relationship with the European Union.

Regulation, energy pricing and consumer demand drive the need for ever cleaner economic growth. This Plan recognises the above challenges and trends, and plots an ambitious course for our economy over the next 11 years.

Whilst we must raise skills levels to respond to future economic demands, we do have opportunities and strengths that we can build on; including the potentially transformative impact of HS2 High Speed Rail through the D2N2 LEP area.

This is a Plan to drive change. Innovation and inclusive growth are at its heart, cutting across our three themes of:

- supporting productive and growing businesses,
- delivering skills and knowledge for the future,
- enhancing the quality of the places where we live and work.

The Plan does two things. It establishes a framework for identifying what our future investment priorities should be and which will have the greatest positive impact; and outlines eight key actions to drive us, in the short term, towards our vision.



Elizabeth Fagan,
Chair,
D2N2

We will:

- build a stronger LEP with an effective Local Industrial Strategy,
- refocus our D2N2 Growth Hub and business support to help firms improve their productivity,
- develop our knowledge and innovation strengths,
- inspire the careers and skills choices of our current and future workforce,
- help people into work,
- help our workforce to adapt to rapid change,
- support businesses to gain the skills needed to drive productivity in a modern economy,
- invest with partners to maximise the benefit of HS2 and seek investment to deliver the infrastructure necessary for world class transport and digital connectivity; unlocking high quality homes and employment sites.

We won't achieve change with a single project or programme, but with concerted action and sustained investment by business and the public sector. This is a new beginning for the D2N2 LEP. There are exciting opportunities ahead as the UK Government looks to strengthen Local Enterprise Partnerships and invest in local economies, through Local Industrial Strategies and the Shared Prosperity Fund. But it is up to us, together, to take advantage of these opportunities.

New money from Government alone will not deliver our vision. I want you to help us deliver this Strategic Economic Plan and its vision for the future of our area. It is only by combining our efforts in a focused way that we will achieve real and lasting change. Join us on the journey to a stronger, more productive and inclusive economy.

Executive Summary

What is the SEP for?

As a credible, measurable, well-informed and widely supported plan for the economy this Strategy will achieve change in five ways:

1. Direct current and future funding held by or allocated to the LEP.
2. Support and inform competitive bids by the LEP and partners, for funding from national sources.
3. Influence approaches to 'mainstream' activities and spending by partners.
4. Provide confidence to the private sector for long term investment.
5. Provide a framework for the D2N2 Local Industrial Strategy.

Where are we now?

We are a large and growing LEP economy, at the centre of the UK, with a strong record in private sector job creation. However, we have a productivity challenge. We produce too little output for the numbers of hours worked; and have too many people in lower paid jobs and too few in higher paid occupations.

There will not be a lot of new labour entering the economy between now and 2030, so we must find ways of producing more output with the labour we have. We need to enable workers at all levels to move up into the more productive, better-paid jobs, and raise workforce skills levels to respond to the economy's future needs. There is also a significant variation in economic conditions within the D2N2 LEP area.

We must continuously adapt to and take advantage of economic, social and technological changes and trends. To do this, we have opportunities and strengths to build on; including the transformational potential of HS2 high speed rail.

Where do we want to get to?

Our vision is that, by 2030, D2N2 will have a transformed high-value economy; one which is prosperous, healthy and inclusive, and among the most productive in Europe. The spark in the engine that powers UK growth.

We will:

- Be in the top quarter of productive local economies in Europe,
- Increase the value of our economy to £70billion, with £9bn added by the actions of this Plan,
- Enjoy prosperity levels in the top quarter of all LEP areas,
- Raise real wages and narrow inequality by a rise in median weekly earnings of at least 40% and narrow wage disparities within D2N2,
- Maintain a high and stable employment rate with a workforce of some one million people,
- Reduce the gap in economic activity levels between places in the D2N2 area,
- Eliminate the gap in workforce qualifications between the UK and D2N2

How are we going to get there?

We will invest in schemes and programmes that give the greatest returns, to achieve our transformative vision for the whole area. We'll be rigorous in our performance management to maximise the value of investments.

Our themes of:

- Productive and Growing Businesses,
- Skills & Knowledge for the Future
- Quality of Place

and 12 investment priorities will determine what we will support. Innovation cuts across the three themes as a driver of long term productivity, and inclusive growth is a desired outcome of all actions taken.

In the short term, we will prioritise eight key activities of:

- creating a strong LEP and Local Industrial Strategy,
- refocusing the D2N2 Growth Hub to enhance business productivity,
- driving productivity and growth in our priority sectors,
- delivering careers inspiration for our current and future workforce,
- supporting inclusion and progression in the labour market,
- developing skills and leadership for productivity growth,
- securing investment to deliver world class infrastructure and connectivity,
- maximising the economic benefits of High Speed rail to the D2N2 economy.

Artist's impression, Nottingham College's £58m Nottingham City Hub, being built in Canal Street, in the city centre. Up to half the costs of the skills and education facility, due to open 2020, will be met by D2N2's Local Growth Fund allocation.



Introduction

This Plan is the economic blueprint for the D2N2 area until 2030, forming the basis for future investment decisions by the LEP and its partners. It builds on the strong foundations of our 2013-2023 Strategic Economic Plan and the activities undertaken to deliver it.

This Plan is built on a strong evidence base, including our D2N2 Science and Innovation Audit, and 'Deep Dive' reviews of productivity and inclusive growth. It proposes to transform the economy of Derby, Derbyshire, Nottingham and Nottinghamshire. It sets a long term vision and a plan of action for collective action to achieve that vision.

It is also the strategic foundation for agreeing a Local Industrial Strategy for D2N2, in partnership with Government, to unlock new resources and enable enhanced local delivery.

This Strategic Economic Plan contributes towards the achievement of the national Industrial Strategy, including tackling its four 'Grand Challenges', and delivering the Midlands Engine's Vision for Growth. It sets the framework for local plans.

This Strategic Economic Plan aims to close our persistent productivity gap; to create a stronger foundation for wages, living standards and opportunity through long term action and investment. It will benefit all communities in the D2N2 LEP area, taking a long term innovation-led approach to improving the productivity of our businesses and the prosperity of our places.

It aims to promote economic resilience so our economy can navigate the uncertainties and opportunities arising from the UK's altered relationship with the European Union, and global trading partners.



Building on the legacy of the first Strategic Economic Plan

In 2013, D2N2 published its first Strategic Economic Plan. That Plan's primary target, to support the creation of an additional 55,000 (net) new private sector jobs by 2023, was achieved within 3 years.

A number of important assets have been put in place or are planned as a direct result of the original plan, providing a strong foundation for growth and prosperity in the future.



£257million invested in transport infrastructure and other capital schemes, enhancing our major transport corridors and opening up key sites in our Enterprise Zones in Derby and Nottingham, including Infinity Park (picture below) and MediCity.



Effective use of European funding (£157m committed to September 2018) to kickstart a number of successful programmes and flagship projects; including a range of local funding options for business growth, innovation, low carbon, and employment and skills support for people across D2N2



Capitalising on the once-in-a-generation transformational opportunity offered by HS2 – ensuring benefits are experienced across the D2N2 LEP area.



Fulfilling the potential of our distinctive local economic geographies, connecting opportunity and need.



The D2N2 Growth Hub established as the 'go to' support service for SMEs; having engaged with some 6,800 businesses in its first three years.



Important new facilities in our centres of research and learning, including the Chesterfield Centre for Higher Level Skills.

This new strategy builds on our track record of achievement, to ensure that the D2N2 economy is fit for the challenges of the future.

Our Eight Key Actions

This strategy is not just an identification of the challenges we face and a theory of change, it is a plan of action. There are detailed actions at the end of each thematic section. Further actions will be specified in regularly updated implementation strategies, such as the D2N2 Infrastructure Strategy. However, the eight key actions we will take, with partners, are:

1

STRONGER LEP & EFFECTIVE LOCAL INDUSTRIAL STRATEGY

Review and strengthen the LEP. Develop and deliver a Local Industrial Strategy that capitalises on our key knowledge and industrial assets, to deliver long term productivity growth. We will be active leaders in the Midlands Engine, championing D2N2's contribution and making the strategic case for investment across the wider region.

5

INCLUSION & PROGRESSION IN THE LABOUR MARKET

Deliver joined-up targeted support to get people who are seeking employment – but who have multiple, complex or deep barriers to getting a job – into sustainable employment. Support individuals' career progression through raising their skills levels, to meet the changing requirements of business.

2

PRODUCTIVITY FOCUS FOR THE GROWTH HUB

Strengthen the D2N2 Growth Hub and the support it offers to deliver productivity growth across sectors; through better access to exporting, finance, digitalisation, innovation, leadership and management support, expanded provision of High Growth business support focused on small but productive businesses, and having a single point where employers can access employment and skills information and support.

6

SKILLS AND LEADERSHIP FOR PRODUCTIVITY GROWTH

Support businesses in accessing the skilled people they need to improve their productivity through a stronger D2N2 Growth Hub, enhanced leadership and management skills, the skills to adapt to digitalisation in the workplace, better engagement with the knowledge and assets in our higher and further education institutions, and increased take up of apprenticeships (particularly at higher and graduate levels).

3

INNOVATION LED PRODUCTIVITY GROWTH

Collaborate with universities, businesses and sector bodies to develop and implement productivity and growth plans in our science and innovation core sectors, and exploit our advantages in our four enabling competencies.

7

WORLD CLASS INFRASTRUCTURE AND CONNECTIVITY

Secure investment to deliver the infrastructure necessary to achieve world class connectivity and the development of high quality sites, premises and homes – creating prosperous places across the D2N2 LEP area.

4


CAREERS INSPIRATION FOR OUR FUTURE WORKFORCE

Inspire young people to make well informed choices about their education, training and careers in the future economy by delivering a programme of careers inspiration which sees all mainstream secondary schools and Further Education (FE) providers in the D2N2 area achieve all eight 'Gatsby Benchmarks'.

8

HS2 – CONNECTIVITY, SUPPLY CHAIN, SKILLS AND PEOPLE

Implement the bold yet pragmatic vision for economic growth in the East Midlands: HS2 Growth Strategy, by working with partners on an agreed programme of activity; including enhanced business support, capital investment in infrastructure, and long terms skills and careers action.



“ Having been born
and bred in Derbyshire,
Chesterfield was always going to
be a base for the business.

Growing up here I have already seen
massive transformation, watching
Chesterfield go from a sleepy
market town to a thriving, up-and-coming
rival to larger towns and cities
surrounding it.”

Steve Perez
Chairman,
Global Brands
Drink Company

How we will implement the plan

By setting out a credible, measurable, well-informed and widely supported plan for the economy this Strategy will achieve change in five ways. It will:

- 1 Direct current and future funding that the LEP holds or where there is a LEP area allocation, such as European Structural and Investment Funds and the Shared Prosperity Fund.
- 2 Secure funding and investment by providing the strategic rationale for competitive bids by the LEP and partners for funding from national sources; such as the Industrial Strategy Challenge Fund, Transforming Cities Fund, Shared Prosperity Fund and other future 'challenge' funds, policy 'pilots' and initiatives.
- 3 Influence partners' approaches to 'mainstream' activities and spending, by providing a manifesto for aligning objectives and actions to achieve better outcomes.
- 4 Provide confidence to the private sector for long term investment in the D2N2 economy.
- 5 Provide a framework for the D2N2 Local Industrial Strategy and other local strategy development.

A Stronger LEP

Delivering this Strategy will not be achieved solely through funding allocated to the LEP. The LEP will need to be not just an allocator of funds but must act to bring together partnerships for collective action and be an independent advocate for investment into the area.

The D2N2 LEP will review its governance, operation and resourcing to ensure it is best placed to oversee the delivery of this Plan. This means that we will be a stronger LEP, with the resources and support to co-ordinate a cohesive programme of investment, by drawing on national, regional and local resources (from the private and public sectors).

We will fully implement the requirements of the Government's Strengthening Local Enterprise Partnerships review.

We will strengthen the business leadership on our Board and work more collaboratively with East Midlands' LEPs, across the wider Midlands Engine and with neighbouring LEPs with whom we have key economic relationships including, the Sheffield City Region LEP through formal collaboration agreements, where necessary. This will enable us to more effectively achieve shared ambitions.

1

STRONGER LEP & EFFECTIVE LOCAL INDUSTRIAL STRATEGY

Review and strengthen the LEP. Develop and deliver a Local Industrial Strategy that capitalises on our key knowledge and industrial assets, to deliver long term productivity growth. We will be active leaders in the Midlands Engine, championing D2N2's contribution and making the strategic case for investment across the wider region.

Directing Investment

The LEP will continue to direct resources within its strategic remit to deliver this Strategy; including the remaining Local Growth Fund, European Structural and Investment Funds, Growing Places Fund, and any funds arising from business rates uplift on designated Enterprise Zones.

D2N2 will also use the framework of this Strategic Economic Plan and the D2N2 Local Industrial Strategy to direct the local allocation of the Government's 'Shared Prosperity Fund'; the replacement for European Structural and Investment Funds once they are no-longer available to the UK.

The Strategic Economic Plan provides the framework by which the LEP will prioritise the investments it will make and endorse, and the actions that it will take. In doing so, the LEP will test:

- Do the actions hit our targets and investment priorities?
- Are they value for money?
- How do they combine with other funded or planned actions to maximise impact?
- How far do they maximise the scale of local impact and social value?
- Are they readily deliverable within the required timescale?

Directing Investment

We will invest in the schemes and programmes that give us the greatest returns to achieve our transformative vision for the whole area. We will be rigorous in our appraisal and performance management and consistent with national frameworks to maximise the value of our investments. We will be clear why we are supporting schemes and why not others. We will hold scheme sponsors to account for performance.

We'll invest in the things that we're good at and which set us apart - to build on the competitive advantages that make D2N2 a great place to live, work, study and visit. This means:

- Exploiting D2N2's unique locational advantage at the heart of the nation; with its outstanding natural assets (such as the Peak District National Park and Sherwood Forest), and its location as a bridge between the Midlands Engine and the Northern Powerhouse areas.
- Supporting our cities' role as economic powerhouses and major urban areas.
- Consolidating the contribution our major businesses make to the economy, improving the competitiveness of their supply chains within the D2N2 area.
- Building on our industrial specialisms and linking to Sector Deals and opportunities arising from the Industrial Strategy Grand Challenges (digitalisation, mobility, low carbon and ageing population).
- Gaining advantage from the talent and leading-edge competencies in our world-class universities and other outstanding centres of learning and research, at the core of D2N2's knowledge base.

Working in partnership to deliver the Plan

As detailed previously, this Strategy cannot be delivered by D2N2 alone. Taking advantage of future opportunities will depend on relationships with neighbours, both in the context of new investment (for example, High Speed 2 and Midlands Connect) and development of strengthened supply chains and labour markets.

Midlands Engine:

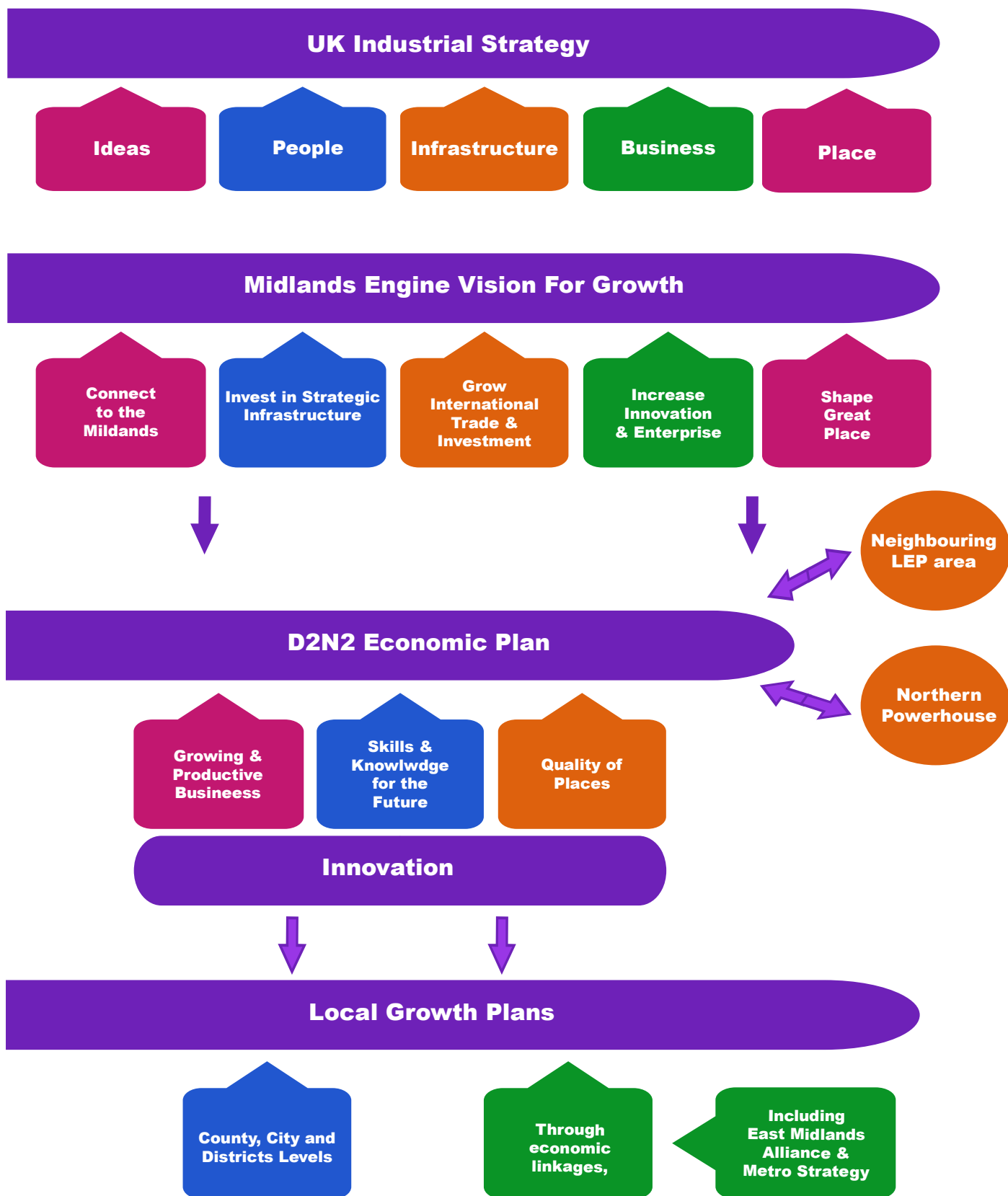
We will be active leaders in the Midlands Engine, championing D2N2's contribution and making the strategic case for investment across the wider region.

The D2N2 Local Enterprise Partnership will continue to work through partnership. The LEP has been a lean, focused partnership which makes best use of partners' expertise and resources; co-ordinating across the D2N2 area and championing shared priorities. We will continue this approach, working with our constituent local authorities and other partnerships in the LEP area. D2N2's Strategic Economic Plan (SEP) provides a bridge between local authorities' plans for local economic growth, and national and regional strategies – see diagram on page 11.

The D2N2 SEP supports the achievement of the Government's Industrial Strategy and the Midlands Engine's Vision for Growth. This SEP provides the framework for and will be delivered through collaborative working, focused interventions, and aligned thematic and geographic plans; according to how we can secure the greatest impact. As such, it provides the vision, targets and overall framework for the development of the D2N2 Local Industrial Strategy and the framework for detailed thematic implementation plans such as the D2N2 Infrastructure Strategy, Energy Strategy, and the People and Skills Plan.

Although the LEP area is large, and to a large degree economically self-contained, there is no 'one size' fits all approach to tackling the challenges we face.

There are significant economic disparities within the D2N2 LEP area and between places within the area. Therefore, the application of SEP policies will need to be sensitive to local differences and synergies, within and outside the D2N2 area. The SEP builds on the D2N2 area's reputation for local collaborative working within multiple, overlapping local economic geographies. Including the Derby-Nottingham Metro Strategy





Manufacturing at drill bit specialist Rockpecker Ltd of Nottingham. The company has received D2N2 Growth Hub support.

Derby Nottingham Metro Strategy:

Derby Nottingham Metro Strategy: Driven by a voluntary collaboration, the Derby-Nottingham Metro Strategy is designed to leverage the benefits of enhanced links between the complementary dynamic City economies of Derby and Nottingham.

Healthy and thriving City economies are key to the health of the overall D2N2 economy, with Nottingham and Derby both forecast to experience significant jobs creation and growth in their working age population by 2030.

“ Nottingham has surpassed my expectations. Their specific and on-going support and the willingness to help my company is invaluable. The Growth Hub is a significant and key enabler to help me achieve my business plans both here and overseas. ”

Rajnish Kuma,
Managing Director,
Rockpecker Ltd

Securing Investment

The strategy cannot be effectively implemented without investment and we will continue to press the case for a 'fair deal' for D2N2 and the wider East Midlands alongside providing compelling investment propositions to Government, its agencies and other investors.

This Strategy and the forthcoming D2N2 Local Industrial Strategy (LIS) will set the strategic rationale for LEP support for direct submissions to Government, and for working with partners to secure strategic investment into the D2N2 economy; particularly via applications to challenges funds such as the Industrial Strategy Challenge Fund.

A Framework for the Local Industrial Strategy

This Plan is a comprehensive revision of the previous SEP but it is also the first stage in developing a Local Industrial Strategy (LIS) for D2N2. Our aim is to have the LIS in place, in partnership with Government, during 2020.

The LIS will be the basis for agreeing funding and flexibilities from Government, including the new UK Shared Prosperity Fund; due to replace European Structural Funds from 2021, but which might look very different from existing funding arrangements.

It is anticipated that the LIS will focus in more depth on a narrower range of issues, including how the D2N2 LEP area will harness its significant science and innovation assets to address four Grand Challenges identified in the Government's UK Industrial Strategy, i.e:

- artificial intelligence and the data economy
- the future of mobility,
- clean growth
- the ageing society.

We will remain an outward looking LEP, collaborating with others to achieve shared objectives.

Monitoring Performance

To track this Strategy's progress in the long term, we've identified a series of headline targets (see Page 19) and a number of supporting indicators to be monitored (see Page 61). For all of these, change will be gradual and all are subject to short-term volatility; with progress more likely to be measured long term, rather than from year to year.

We will, however, continue to prepare a State of the Economy report annually and carry out a full-scale Strategic Review every five years; keeping the strategic priorities (including priority sectors and enabling competencies) under review in the light of significant changes in global, national or local circumstances. We will engage with partners to disseminate the findings of the State of the Economy reports and consider their implications for strategy.



D2N2's outstanding economic assets...

Derby, Derbyshire, Nottingham, Nottinghamshire, has been in the vanguard of scientific and industrial innovation for more than 200 years.

From Richard Arkwright's water powered Cotton Mill at Cromford in 1771 to market-leading engines in the present day, the D2N2, has become synonymous with globally-significant technological advances and manufacturing excellence; founded on long-standing trading relationships across the world.

This leaves us with a proud industrial heritage, world-class firms and universities, and a culture of innovation and industry. Our specialist knowhow means we are well positioned to take advantage of advances in digitalisation, mobility, and medical and low carbon technologies.

D2N2 LEP: Key Statistics



AREA: 4,748 sq. km

LEP Ranking 12 out of 38



POPULATION: 2196,100

LEP Ranking 5 out of 38



**WORKING AGE
POPULATION: 1,358,100**

LEP Ranking 5 out of 38



GVA: £45.4bn

LEP Ranking 4 out of 38



EXPORTS (good)

LEP Ranking 4 out of 38



LOCAL AUTHORITIES: 19

LEP Ranking 3 out of 38



**ECONOMIC SELF
CONTAINMENT**

LEP Ranking 5 out of 38

2.2 Million people reside in the D2N2

D2N2, with 2.2 million residents, is one of the most important local economies in England. Only three LEP areas outside London have a larger population – and the amount of GVA output we generate (£45billion) is on a par with Birmingham & Solihull LEP's area.

We are one of the most important LEPs in England for the value of goods that we export. However, despite having the fifth largest working age population of all 38 LEPs, we only have the ninth largest economy; illustrating one of our key economic challenges. We do not use our workforce, our key resource, as efficiently or productively as some other areas.

What Sets Us Apart

D2N2 is a large LEP area, a nationally significant economy in the centre of England with important local, national and international connections.

Our area contains a vibrant blend of cities, towns and rural areas; with an extremely high (89%) 'economic self- containment' rate, i.e: 92% of D2N2 workers live in the D2N2 area and 87% of D2N2 residents work in the D2N2 area.

This makes D2N2 one of the strongest functional economic LEP geographies in England. Only four of the other 38 LEPs have a higher proportion of their workforce living in the area.

Despite being highly self-contained, as a large area we have important economic relationships with our neighbouring LEPs and considerable diversity within our area. D2N2 contains six housing market areas and all or part of ten travel to work areas.

As well as being in a strong location, in the centre of England (as shown in Figure 1), D2N2 has a rich mix of economic assets across its geography.

Our area benefits from an exceptionally strong advanced manufacturing base, a well-developed innovation ecosystem (including world-class capability in our universities); and a vibrant mix of growing cities, and significant and diverse towns and rural areas possessing outstanding natural, cultural and environmental assets. These include the internationally important Peak District National Park, Sherwood Forest, the Trent Valley and the Derwent Valley Mills World Heritage Site. Much of the area is covered by environmental designations, including the Nottingham-Derby Green Belt.

D2N2 has a huge range of cultural assets, many of which are detailed in our 'economic assets' map on Page Ten. These range from world class sporting facilities and venues; to internationally significant industrial and cultural heritage sites, from Derwent Valley Mills to the beginning of the Mayflower trail; to vibrant and contemporary arts and performance venues.

Knowledge, Science and Innovation Assets

Having been in the vanguard of the first Industrial Revolution, D2N2 has the science and innovation assets to enable our economy to benefit significantly from the current technological and digital revolution.

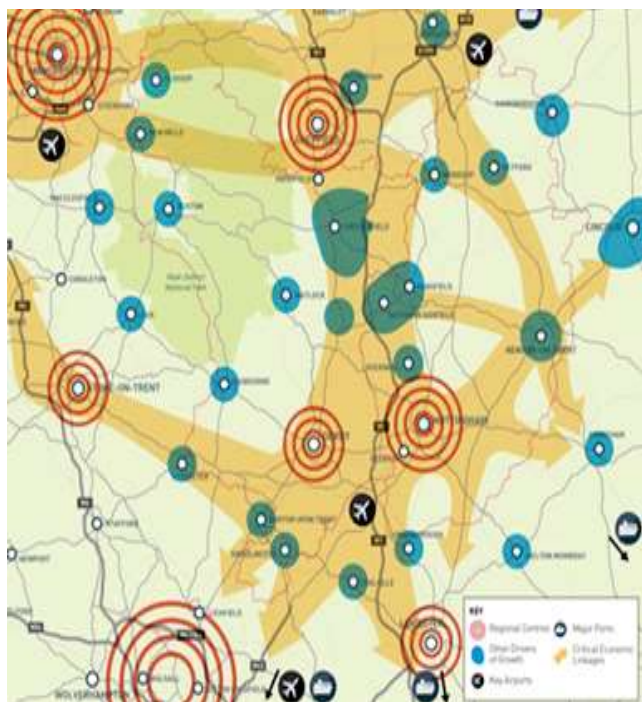
As described in our D2N2 Science and Innovation Audit, we have world class research and innovation assets, and the potential to develop a coherent local science and innovation 'ecosystem' to benefit local firms.

Our three universities (Nottingham, Nottingham Trent and Derby) are key anchor institutions for the development of our economy. The University of Nottingham is of international significance for research, being ranked 13th in the UK for 'research power'; and Nottingham Trent University and the University of Derby are rapidly development research and development institutions.

Our universities have an excellent track record in collaborating and the D2N2 LEP has invested heavily in projects to promote innovation; including Enabling Innovation, the Advanced Manufacturing Building at the University of Nottingham, the Medical Technologies Innovation Facility at Nottingham Trent University and the University of Derby's iHub.

There are a network of innovation centres and knowledge intensive firms throughout the D2N2 LEP area; with three science parks and over ten innovation centres/incubators, all home to numerous innovative and technology-rich SMEs.

Our Key Connections and Corridors



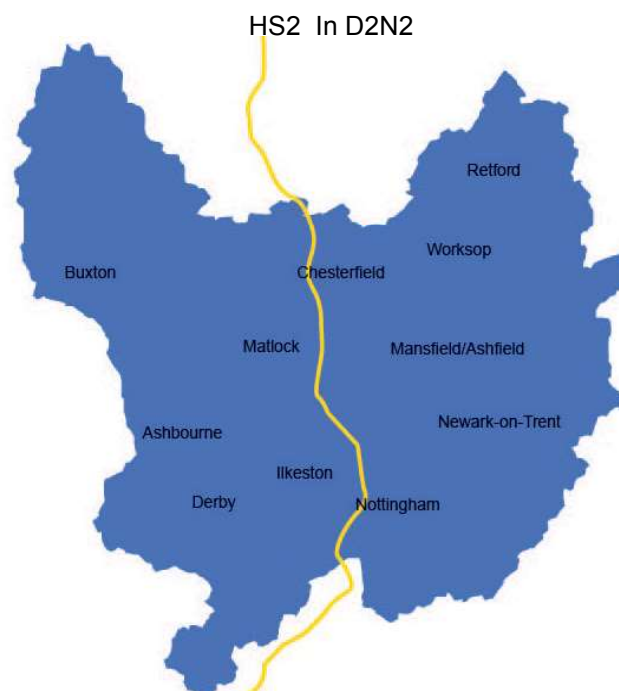
We have a rich mix of world-class advanced manufacturing firms in Derby including Rolls-Royce, Bombardier and Toyota; a growing life sciences cluster in Nottingham anchored by Boots and BioCity; and an emerging digital tech cluster in and around Nottingham's 'Creative Quarter'.

An outward looking economy

HS2 represents a truly transformational opportunity to strengthen connections within our area and between it and external regions.

Via the proposed HS2 Phase 2 line, the D2N2 area would host the East Midlands HS2 Hub Station planned for Toton, a further stop at Chesterfield, and an HS2 infrastructure and maintenance depot at Staveley.

Working collaboratively with other LEPs and partners across the East Midlands, we have developed a shared East Midlands Growth Strategy for HS2, which designates two regional 'HS2 growth zones' within the D2N2 area. Each zone has a collaborative, partnership approach aiming to realise the economic benefits of HS2 for the D2N2 LEP area within a wider approach to maximising connectivity, business and skills benefits.



Therefore we'll continue to collaborate with our neighbours, formally where necessary, through agreements which tackle cross border issues and relationships effectively. The map above illustrates the key economic relationships and connections within and beyond the area.

A Diverse Geography

D2N2 has a diverse economic geography combining:

- Derby and Nottingham cities, accounting for a significant proportion of the area's employment and GVA; possessing strong and complementary economies, with different strengths and assets.
- Derbyshire and Nottinghamshire counties, where most of the area's workforce resides; including key towns such as Chesterfield and the Ashfield & Mansfield conurbation – recognised by the Centre for Cities as one of 64 'cities' in UK. The counties include a network of major towns comprising Newark, Worksop, Matlock, Buxton and Long Eaton and large rural areas.

This diversity has in the past been a strength, enabling the economy to be resilient in economic downturns, but there are significant economic disparities across the area.

The D2N2 LEP area doesn't breakdown into 'neat' sub-divisions, but rather a series of overlapping local economic geographies sharing some characteristics.

Enhancing engagement between firms and our significant research base will drive innovation, productivity and our long term competitiveness

For example, D2N2 wholly contains six housing market areas, five travel to work areas and parts of five further travel to work areas.

Local economic plans take different approaches; ranging from three 'functional economic zones' in the Derbyshire Economic Strategy Statement, to a blend of growth corridors and opportunity areas in the Nottinghamshire Place Departmental Strategy, to a combined cities approach in the Derby Nottingham Metro-Strategy.

In developing plans and actions to deliver this Strategic Economic Plan, D2N2 will consider how to lever all relevant assets – cultural, economic, knowledge-based, natural and human – to support businesses and people, in every part of the D2N2 LEP area. In developing and applying plans, and taking actions, we'll be mindful of the diversity and inter-connections between our places.

Collaboration between places:

This plan and its approach to delivery recognises our area's distinct spatial characteristics. D2N2 will only succeed if all places within our area thrive. We will continue to support active collaboration between places and partners, within and beyond our borders, taking advantages of synergies and scale, where this can help achieve our ambitions.

Our cities are important engines of growth:

The two cities of Nottingham and Derby - with Nottingham recognised as among the UK's eight 'Core Cities' - play a vital economic role. They are:

- home to the main campuses of the D2N2 area's three universities,
- employment locations
- regional centres for commercial, cultural and public services.

Combined, Derby and Nottingham account for about 35% of D2N2's GVA. Both cities have housing market and travel-to-work areas which cover much of South Nottinghamshire and Southern Derbyshire (in particular the Broxtowe, Rushcliffe and Erewash districts).

Looking over the next 20 years, the economic 'footprint' of the area in and around the two cities is set to expand considerably. Population growth in D2N2 is forecast to be focused south of the area (with greatest increases in Rushcliffe and South Derbyshire). Forecasts for Derby and Nottingham show working age population growth above England's average.

Both cities have significant economies, focused on different strengths and assets.

Derby's concentration of (highly productive and innovative) advanced manufacturing employment complements Nottingham's service sector economy and growing bioscience, digital and creative industries.

Each city also has its challenges. Nottingham has low GVA per worker, in the bottom ten of the Centre for Cities' productivity index, and Derby has been designated an 'Opportunity Area' due to educational challenges. Derby and Nottingham complement, rather than compete, with each other.

They share infrastructure and both would be supported by the proposed HS2 related development at Toton, as well as other significant opportunities around East Midlands Airport.

However, evidence suggests we're not currently fully exploiting these complementary assets. Functional links, such as commuter flows, between the two cities are limited, and supply chain relationships appear underdeveloped.

Our diverse urban centres and market towns are key to our economy

Almost two-thirds of D2N2's GVA is generated in the counties and districts outside Nottingham and Derby. The Mansfield-Ashfield conurbation is the D2N2 area's third largest urban centre, generating some £4billion in GVA, and has been identified by the Centre for Cities as one of 64 'cities' in the UK.

D2N2's major towns are important economic centres in their own right. Chesterfield, for example, is home to over 30,000 jobs, with an economy generating over £2million GVA per annum and a planned station on the High Speed 2 line.

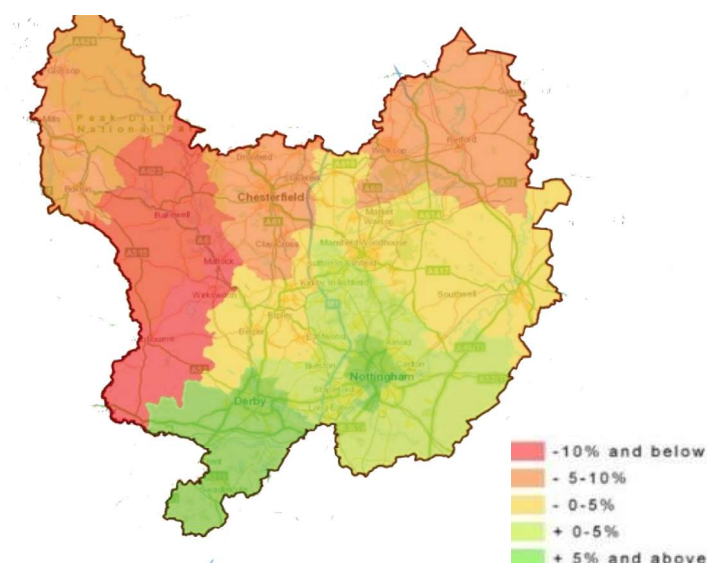
Main employment concentrations are shown in Figure 4, but D2N2's dispersed network of towns means that all parts of the area have a role to play in our economy. District economies vary in size, Figures from 2016 show North-East Derbyshire with a £1.47bn GVA, Amber Valley with £2.64bn, and the city economies of Nottingham and Derby generating £8.91bn and £6.97bn respectively. We also have many market towns playing an important role as service centres for surrounding rural communities.

There's a marked gap between the D2N2 area's most and least prosperous parts; ranging from GVA per head of population of £27,600 in Nottingham, to £27,300 in Derbyshire Dales, to £14,400 in Gedling and £16,000 in Erewash. Our area's network of market towns face diverse challenges.

The Centre for Cities indicates that more than 30% of current roles in Mansfield and Ashfield area towns are threatened by automation.

The Social Mobility Commission indicates that Newark and Sherwood, Derby, Mansfield, Nottingham, South Derbyshire, Amber Valley, Bolsover, Chesterfield, Broxtowe, Erewash, Gedling and Bassetlaw are social mobility 'cold-spots' (where opportunities for social mobility are limited); with only Rushcliffe Borough (containing West Bridgford, Cotgrave and Bingham) a designated 'hot spot'. Not only are there significant differences between places in the D2N2 LEP area, but also within those places.

D2N2 working age population forecast % growth (2014- 2030)



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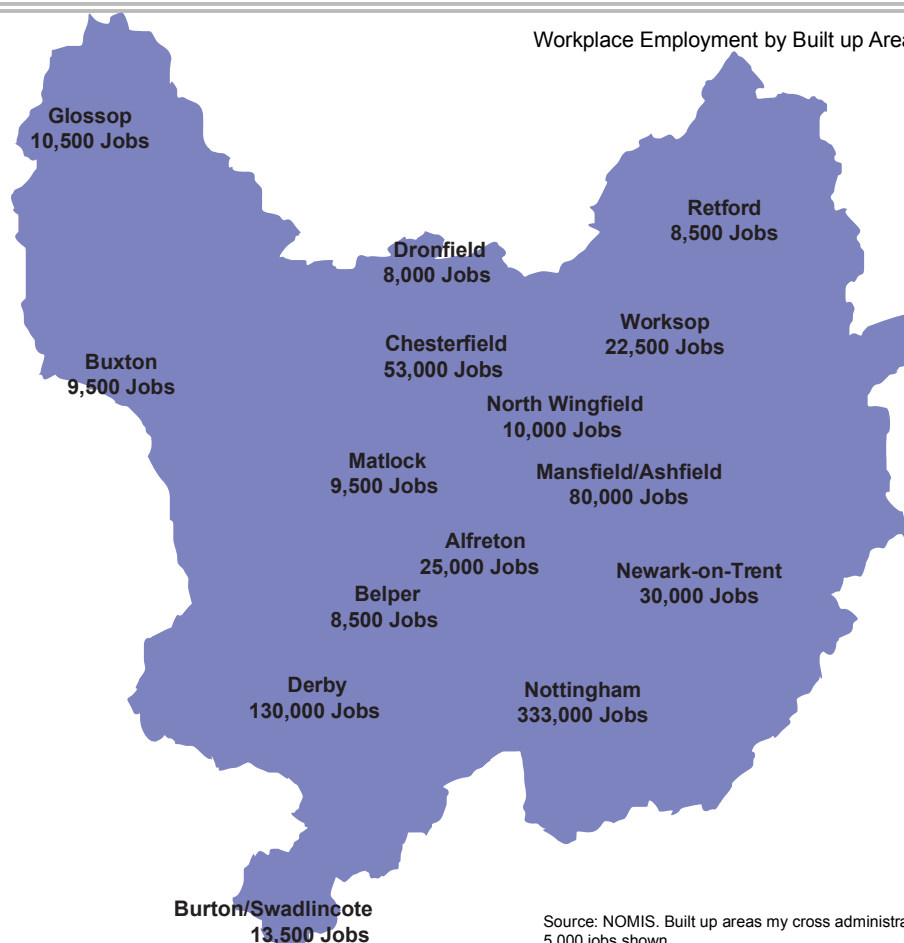
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Not only are there significant differences between places in the D2N2 LEP area, but also within those places.

Derby is one of the highest average wage economies in England; with an average gross disposable household income of approximately £500 per week, compared with around £300 per week in Mansfield. At the same time the RSA (Royal Society for the encouragement of Arts,

Manufactures and Commerce) Inclusive Growth Commission estimates that approximately 28% of Derby jobs pay less than the 'living wage'.

Outside of Chesterfield, Derbyshire has a range of towns with different characteristics with Buxton, Bakewell, Ashbourne, Matlock, in the Dales and Peaks; and Alfreton, Ripley, Ilkeston, Bolsover, Codnor and Long Eaton in the east of the County; and part of an 'M1' corridor with towns in Nottinghamshire such as Eastwood, Hucknall and Stapleford.



Our rural areas

Our diverse rural areas are home to a significant population. The rural economy plays a key role in shaping the physical place where we live, and in supporting the overall health and vitality of our economy. Over a third of D2N2's total employment is in predominantly rural local authority areas.

The rural economy's agricultural sector continues to play a key role in food production, as well as maintaining and enhancing the attractiveness of the environment and contributing to the visitor economy.

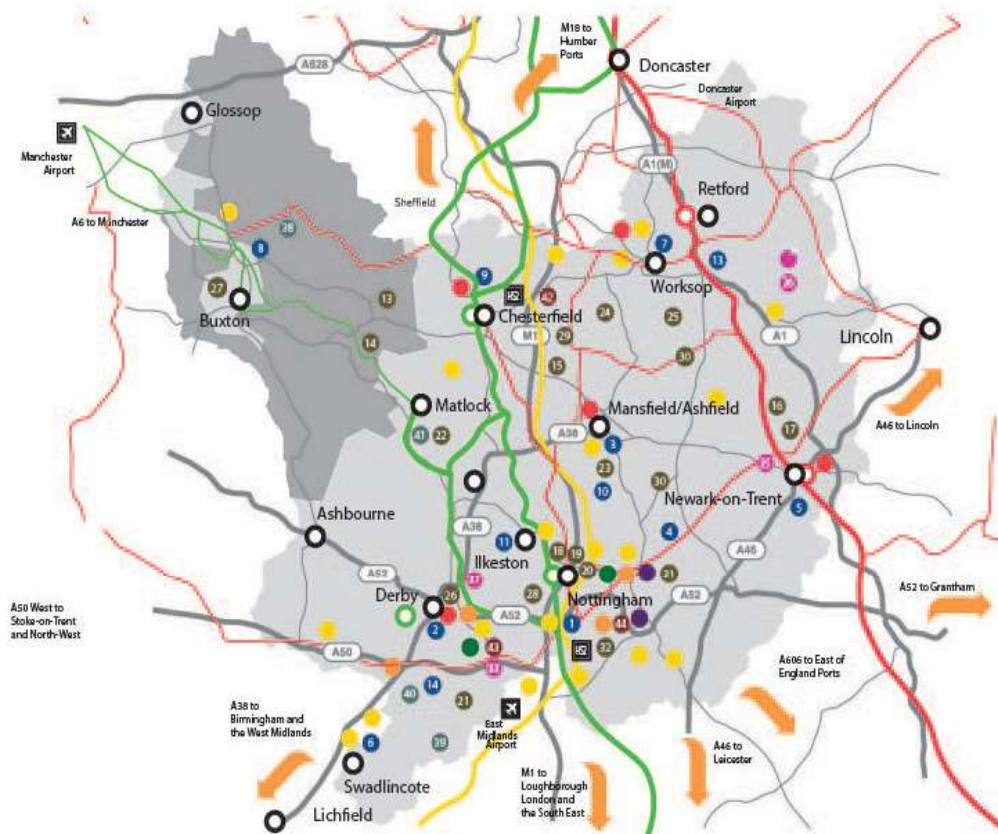
Our rural area's natural environment is a key economic asset for D2N2, with development in areas such as the Peak District requiring sensitive management. The Peak District National Park covers around a third of Derbyshire's land area, and is a premier and distinct UK brand; not just for the Visitor Economy but increasingly – through the 'Inspired by the Peak District' campaign – as a brand of provenance for goods and foods. Our rural areas include key manufacturing businesses; from John Smedley Ltd at Lea Mills, the world's oldest manufacturing factory in continuous operation, to Explore Manufacturing near Worksop, to Laing O'Rourke's modern construction methods.

The D2N2 area's rural parts are affected by many of the same economic issues as its urban ones; but rural areas (whilst not homogenous) also experience specific economic challenges connectivity – travel to work, education and leisure, and also digital connectivity – and also housing availability and affordability, and access to economic opportunities.

Challenges faced by rural areas include:

- difficulties faced by the area's agricultural sector,
- an over-reliance on public sector employment,
- low earning levels (often masked by higher wages
- amongst residents who commute to work in the surrounding conurbations),
- a lack of dynamism amongst the business base.

Our Distinctive Assets



Universities & Colleges

- 1 University of Nottingham, Nottingham Trent University, Nottingham College, Bilborough College
- 2 University of Derby, Derby College
- 3 Vision West Notts College
- 4 NTU, Brackenhurst
- 5 Newark College
- 6 Burton & South Derbyshire College
- 7 North Nottinghamshire College
- 8 University of Derby, Buxton, Buxton & Leek College
- 9 Chesterfield College
- 10 Hucknall Sixth Form Centre
- 11 Derby College, Ilkeston Campus

Cultural and Sports

- 13 Chatsworth House
- 14 Haddon Hall
- 15 Hardwick Hall
- 16 National Holocaust Centre
- 17 National Civil War Centre
- 18 National Justice Museum
- 19 Nottingham Castle
- 20 Nottingham Contemporary
- 21 Calke Abbey
- 22 National Tramway Museum
- 23 Newstead Abbey
- 24 Creswell Crags
- 25 Clumber Park
- 26 Derby Silk Mill
- 27 Pavilion Gardens
- 28 Wollaton Hall
- 29 Bolsover Castle
- 30 Sherwood Forest Visitor Centre
- 31 Holme Pierrepont Water-Sports Centre
- 32 Trent Bridge cricket

Energy

- 33 Derwent
- 34 West Burton
- 35 Staythorpe
- 36 Cottam
- 37 Ratcliffe-on-Soar

Natural Assets

- 38 Peak District National Park
- 39 The National Forest
- 40 Trent Valley
- 41 Derwent Valley and World Heritage site

Enterprise Zones

- 42 Markham Vale
- 43 Derby Infinity Park
- 44 Nottingham Boots site, Nottingham Science Park, Beeston Business Park

- Major Employers
- Incubator
- Science Park
- Innovation Centre
- Key Knowledge Intensive Business
- Proposed HS2 routes
- Midlands Mainline Railway
- Midland Mainline Railway Stations
- East Coast Railway
- East Coast Railway Stations

- EM Gateway Rail Freight Interchange
- HS2 Hub
- Airport

The economic challenge ...

This section summarises the economic challenge we face.

We produce too little output for the number of hours we work.

Despite making one of the biggest contributions to England's economic output, overall D2N2 suffers from an inefficient economy – meaning that compared to our competitors we produce too little output for the number of hours we work – the so-called 'productivity deficit'. Despite having the fifth largest workforce outside London, we have only the ninth largest economy. Too many of our businesses aren't productive enough.



89%

D2N2 Productivity is below the UK average

We have too many people in lower paid jobs not enough jobs in higher paid occupations...

We also have an earnings deficit. There are too many people in lower paid jobs – some 30% of people earn less than the Living Wage - and we don't have enough jobs in higher paid occupations. We also need to recognise that some parts of D2N2 are starting from a much lower base than others - workplace earnings range from 118% of the England average in Derby, to 65% in Mansfield.



30%

People earning less than the living wage

With little new labour expected to come into the economies need to find ways to produce much more output with the labour we have...

Looking ahead to 2030, we can expect our working-age population to grow only very slightly. There won't be a lot of new labour coming into the economy.



72,000 working age
population increase
by 2030

85% Aged
over 64

We need to enable our workers at all levels to move up the escalator into more productive, better-paid jobs of the future...

As a result, over time, wage levels will increase. We need to enable workers at all levels to move up the escalator into the more productive, better-paid jobs of the future created by our transformed economy. Our Strategic Economic Plan's success depends on how well we manage this transition.



39,000 estimated
new jobs by 2030

90% of new jobs
in services

We must enable our population and our places across D2N2 to be part of the journey...

As part of our commitment to inclusive growth, we must enable the D2N2 area's people and places to be part of the journey; providing access to opportunities and raising skills levels, and recognising local economies may start from different positions.

The previous SEP's focus was on creating additional private sector jobs. This new Plan signals a shift in priority towards driving up productivity levels; to create an economy with higher-value, better-paid jobs, i.e. a quality of jobs as well as quantity.

In so doing, we need to be resilient and flexible in a rapidly changing business environment. Whilst our future economy's shape will be strongly driven by the 'path' we've followed to date, it will also be influenced by local and global trends.

...we must adapt to and use opportunities presented by economic, social and technological changes and trends

Our Strategic Economic Plan's success over the next decade will depend on how well we respond to the major technological and social trends driving future growth. Linked with the 'grand challenges' identified in the UK Industrial Strategy, four drivers of change stand out:

1

The impact of digital enabling technologies and the 'data revolution' – Not just on specific products, production processes and skills, but on whole business models. Over time businesses will become 'digital businesses', even if their origins or core products pre-date digital technology.

The possibilities presented by artificial intelligence are increasing as data volumes increase the range and sophistication of tasks that can be carried out without human interaction. Industrial digitalisation or Industry 4.0 is becoming increasingly important across all manufacturing sub-sectors. Manufacturing is changing to incorporate a much broader value chain and improved production techniques. With major industrial players and rapidly growing SMEs across the different manufacturing sub-sectors, our area is at the forefront of Advanced Manufacturing and Engineering. This capability is supported by research excellence that spans our universities. As digital technologies and data become increasingly pervasive across all sectors of the economy, the way industries operate is changing. This includes the increasing adoption of digital techniques, the derivation of value from analysis of 'big data', and the emergence of the internet of things. Our strengths in Digital Technologies and Data include a developing cluster in Nottingham focussed on computer games, financial data management and analysis, and e-health, with growing activity in satellite applications. In addition, the ability of our leading advanced manufacturing firms to embrace and exploit the exciting opportunities associated with industrial digitisation will be key as they seek to enhance their international competitiveness. The rise of digitisation and automation may affect places differently, with the Centre for Cities estimated that Mansfield and Ashfield collectively is the 'city' with the highest share of jobs in occupations likely to shrink by 2030 through automation and digitisation with 29.4% of roles affected, compared to around 21% in Nottingham and Derby and 20.2% in Great Britain as a whole.

2

the impact of decarbonisation and the need for greater resource efficiency, driven by regulatory and cost pressures, as well as the development of new technology.

3

associated with both digitalisation and decarbonisation, the evolution of mobility, in the context of the possibilities offered by autonomous vehicles and (for the transport of goods) drone technology, and by the advent of zero-carbon transport

4

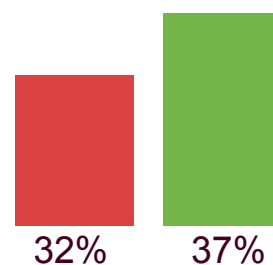
demographic change associated with the ageing population. This will drive changes in demand for different goods and services and a changing balance of public expenditure (associated with, for example, the rising costs of health and social care). It will also have significant implications for the labour market: in D2N2, the working age population will rise by just 1% between 2014 and 2039, growing efficiency pressures over time. By the end of this Strategy period the population over 64 years of age in D2N2 will have increased by 25%.

Organic business growth, new sector entrants, the rise of digitisation and the impact of major national infrastructure projects such as HS2, will require significant skills input to drive their success.

...The evolution in our economy will make new demands of our workforce, therefore we will need to raise our skills levels

In D2N2 our workforce is not as well qualified as the workforce in the UK overall, with just 32% qualified to NVQ4 level or above in D2N2 compared to 37.9% in the UK.

This further conceals significant variations in workforce skills between areas with D2N2. Productive firms demand more highly skilled workers who earn higher wages. Our current skills profile limits opportunities for workers and firms in our area.



Lagging working age qualification (NVQ4+)

we must remain resilient and outward looking...

Furthermore, this plan is being developed and delivered in the context of the UK's changing relationship with the European Union. This may have significant implications for D2N2. HM treasury has previously estimated that around 8.5% of the jobs in East Midlands are related to EU exports and therefore 86,000 D2N2 jobs may be exposed to the direct impact of any tariffs levied on exports of goods. Around 5% of the East Midlands working age population are EU nationals, compared to 4% in other regions, excluding London (13%). Out of 116,000 employed EU nationals more than 90% are employed in the private sector 2/3 have middle to high skills.

This strategy needs to remain agile as the UK's new relationships with EU and other global trade partners are clarified.

...but we have opportunities and strengths to build on...

High Speed 2 is a transformational opportunity for D2N2, offering substantially improved cross-Midlands connections, as well as north-south links Phase 2b, connecting Birmingham with Leeds via the East Midlands, with a new East Midlands station

The delivery of HS2 will be transformational for the East Midlands economy. Throughout the build phase and once operational, it will bring new opportunities for living and working in D2N2. The opportunities are about more than the construction of a new railway. The enhanced connectivity HS2 brings will transform the geography of competition and agglomeration amongst businesses, opening up new marketplaces and catchment areas and attracting inward investment. Opportunities begin immediately, as contracts are awarded for the construction of Phase 1 from London to Birmingham, and stretch to beyond the projected 2033 completion date. During this time new technologies and ways of working will be developed and the demographics within the region will shift as 'Millennials' and 'Generation Z' become the key workforce and consumers in the region. Accelerating and maximising the early benefits of HS2 construction will be key to the successful delivery of this strategy.

We face challenges but we are a well-connected economy with distinctive industrial and innovation capabilities, a resilient SME base and a strong record in private sector job creation.

MediCity Nottingham is home to entrepreneurs, start-ups and growing companies within the healthcare, diagnostics and medical technology fields. Life Sciences is one of D2N2's eight key sectors.



Fit for the future - our vision for D2N2 by 2030

This section sets out our vision for the D2N2 economy in 2030. Later we detail the targets by which we will measure progress towards the vision and the themes by which we will structure our action-based strategy.

By 2030, D2N2 will have a transformed high-value economy, prosperous, healthy and inclusive, and one of the most productive in Europe. The spark in the UK's growth engine.

This vision and strategy is for the whole of the economy across the whole of our area. By 2030, we will be a world class innovation-led, highly productive economy with a global reputation for manufacturing excellence. At the forefront of technological and business innovation, businesses of all sizes adopt innovative technologies and ways of working. Outward looking, more D2N2 businesses export more goods and services around the world.

We will be the best and most welcoming place in the country to do business, with firms readily able to access investment, space to grow, connections, expertise and trusted advice and support. We will invest in and reward creativity and be a great place to start and grow a businesses. We will have tackled the causes of our productivity gap and have a more prosperous and productive economy.

We will have a healthy, productive, well qualified and well rewarded workforce supported by a world class education and training system, providing the skills needed by the new economy. We will have eliminated our workforce skills deficit with the rest of the UK. Everyone in every community in D2N2 will have the opportunity to participate in the economy and equitably share the benefits of productive and clean economic growth. Using the dividends of greater prosperity, we will enjoy a rich and varied cultural and leisure facilities and experiences. Our children will attend excellent schools, colleges and universities.

We will travel cleanly, reliably, healthily and quickly taking advantage of excellent infrastructure and connectivity. We will be served by airports with regular connections to key business destinations across the world, have the infrastructure and services in place to exploit the unique possibilities of High Speed Rail and enjoy the benefits of full fibre broadband connectivity to every business and domestic address. Full 5G coverage will enable new forms of efficient transportation, including the use of increasingly connected and autonomous vehicles.

We will enjoy a high quality natural, cultural and built environment with attractive heritage assets and transformed high streets offering an attractive mix of retail, leisure and residential experiences. We will live in affordable and efficient homes in safe, healthy, inclusive and sustainable communities in vibrant cities, towns and villages.



Innovation in the area includes 3D printing technology, being advanced at the University of Nottingham.

Achieving the Vision: Targets

To drive actions, inform the prioritisation of funding and measure our progress towards our Vision, the Strategy sets 7 high level economic targets for 2030.




Targets - by 2030, we will;

Starting Point

1	Be in top quarter of productive local economies in Europe.	D2N2 rank in 2016 was 137 out of 265 NUTS 2 areas with available data.
2	Increase the overall value of economy to £70bn with £9bn being added as a result of plan.	Value of economy £45.4bn. Trend forecast to be £61bn economy by 2030.
3	Enjoy prosperity levels in the top quarter of all LEP areas	GVA per head of population 78% of UK average Rank 27 out of 38 LEPS. Baseline £20,846
4	Raise real wages and narrow inequality through a rise in median weekly earnings of at least 40% across D2N2 with wage disparities within D2N2 narrowed	Median weekly earning £408 Earnings range: Mansfield £301, Derby £500
5	Maintain a high and stable employment rate maintained with a workforce of some 1 million people	95% of economically active in work Workforce of 931,000
6	Reduce the gap in economic activity levels between places in D2N2.	Nottingham 66.10% Broxtowe 88.60%
7	Eliminate the gap in workforce qualifications between the UK and D2N2.	32% of D2N2's working age population compared to 37.9% across the UK.

Achieving the Vision: Strategic Framework

We will deliver the vision and hit our targets through a programme of transformation, built around the three high level themes of:

-  Driving long term business competitiveness and growth through improved productivity.
-  Building an adaptable workforce, with the skills and knowledge that businesses need in order to be productive and competitive.
-  Ensuring that our connectivity, infrastructure and place-making enable our growth aspirations.

Underpinning this is the fundamental need to ensure that people and communities across D2N2 have the opportunity to participate in the transition to the higher-value economy and to benefit from its growth. The transformation process will be driven by innovation, which is a cross-cutting feature of the plan. Within each theme we set out investment priorities to drive action and prioritise investments.

Co-ordinated action across the themes will be necessary to drive progress towards our vision; i.e. investments in technologies and processes and innovation adoption will drive demand for skills, connectivity and market access, driving up productivity.



THEME 1	PRODUCTIVE & GROWING BUSINESSES
Ambition, by 2030 we will;	...be a world class innovation-led, highly productive economy with a global reputation for manufacturing excellence. At the forefront of technological and business innovation, businesses of all sizes adopt innovative technologies and ways of working. Outward looking, more D2N2 businesses export more goods and services around the world. We are the best and most welcoming place in the country to do business, with firms readily able to access investment, accommodation, infrastructure and trusted advice and support to grow and become more productive. We will invest in and reward creativity and be a great place to start and grow a businesses. We will have tackled the causes of our productivity gap and have a more prosperous and productive economy.
Investment Priorities	(1) Business Productivity: Increase levels of productivity across all sectors – so that we have a larger number of businesses with above average and outstanding productivity.
	(2) Business Growth: Realise the high-growth potential of productive business and grow the stock of high-value businesses in the area through start-ups, spin-outs and inward investment – contributing to output growth across all sectors of the economy.
	(3) Business Support: Ensure D2N2's business support ecosystem is fit-for purpose, delivers against our strategic objectives, offers a business-friendly and coherent service, and is driven by the needs of business.
Innovation Investment Priorities	(4) Support innovation led growth and productivity: Raise performance in our core, innovation-led sectors (Transport Equipment Manufacturing, Food & Drink and Life Sciences) to exceed international benchmarks. Increase the adoption of productivity raising innovative technologies and practises across the economy.



THEME 2	SKILLS & KNOWLEDGE FOR THE FUTURE
Ambition, by 2030 we will;	...have a healthy, productive, well qualified and well rewarded workforce supported by world class education and training system, providing the skills needed by the new, more productive, economy. We will have eliminated our workforce skills deficit with the rest of the UK. Everyone in every community in D2N2 will have the opportunity to participate in the economy and equitably share the benefits of productive and clean economic growth. Using the dividends of greater prosperity, we will enjoy a rich and varied cultural and leisure offer. Our children will attend excellent schools, colleges and universities
Investment Priorities	(5) Future Workforce: Equip people of all ages (and particularly young people) with the skills and knowledge they need to make informed careers choices and to access jobs providing businesses with a stronger pool of talent.
	(6) Inclusive Workforce: Support those who are furthest away from the labour market to re-engage and move towards and into work; and those in work to move up the escalator to more productive, better-paid jobs of the future.
	(7) Planning for future skills needs: Build an intelligent, evidence-based local skills ecosystem that is capable of matching the skills of the population with the needs of business.
Innovation Investment Priorities	(8) Skilled and Productive Workforce: Enable businesses to find the talent they need, take advantage of the core specialist capabilities in the knowledge base and equip their workforce with the skills of the future.



THEME 3	QUALITY OF PLACE
Ambition, by 2030 we will;	...travel efficiently, reliably, healthily and quickly to work and for leisure, taking advantage of excellent infrastructure and connectivity. We will be served by an airport with regular connections to key business destinations across the world, have the infrastructure and connections in place to exploit the unique possibilities of High Speed Rail and enjoy the benefits of full fibre broadband connectivity to every business and domestic address. Full 5G coverage will enable new forms of efficient transportation, including the use of increasingly connected and autonomous vehicles. We will enjoy a high quality natural and cultural environment with transformed high streets offering an attractive mix of retail, leisure and residential experiences. We will live in affordable and efficient homes in safe, healthy, inclusive and sustainable communities in vibrant cities, towns and villages.
Investment Priorities	(9) Infrastructure: Promote investment in our physical infrastructure to create a competitive advantage, support business & housing growth ambitions and enhance our natural environment.
	(10) High Speed 2 Growth: Exploit the transformational potential of HS2 to stimulate productive growth across D2N2.
	(11) Place Making & Marketing: Empower communities across D2N2 as great places to live, work, study and visit; and undertake compelling place-marketing in order to attract inward investment and talent to the area, and to drive up visitor spend.
Innovation Investment Priorities	(12) Connectivity: Strengthen our strong transport and digital connectivity to business and labour markets, enabling businesses and people to travel and communicate quickly and easily, and unlocking opportunities for growth. Explore innovative solutions to our mobility and connectivity challenges.



Long Term Productivity Growth through Innovation

We will support long term productivity improvement through innovation-led growth. Long term innovation-led growth permeates this plan and is a theme that cuts across our three themes of productive and growing business, skills and knowledge for the future and quality of place. In implementing our approach, we will build on the evidence provided by our D2N2 Science and Innovation Audit. Around one in five jobs are in 'science and technology' sectors, supported by our 'anchor' corporates and in our impressive, and growing, network of innovation centres and incubation facilities across the area.

The Made Smarter review of industrial digitalisation highlights that the relatively slow rate of technology adoption within UK businesses is acting as a brake on productivity improvements. More businesses need to adopt and adapt to innovation or be overwhelmed by it. In D2N2 we lag behind the UK on some measures of innovation performance, particularly product innovation.

We need to increase the proportion of businesses that are 'innovation active'; enabling businesses to implement process or 'new to the firm' innovations will continue to be as important as the development of new products. This includes adopting new management practices and new methods of work organisation. Enabling businesses to exploit the opportunities from digitalisation will be a key component, building on our successful Digital Growth Programme. We need to exchange knowledge and best practice more widely within the D2N2 economy.

The Nuclear AMRC Midlands facility opened in February 2019, at the iHub building, Infinity Park; part of Nottingham & Derby Enterprise Zone, strategically managed by D2N2 LEP. It houses state-of-the-art manufacturing research and development technology.

Our specialist expertise fits well with the Grand Challenges identified in the UK Industrial Strategy. As highlighted in the D2N2 Science and Innovation Audit, one of the main areas of expertise in our knowledge base is digitalisation.

Our know-how in advanced manufacturing & engineering (particularly in next generation transport) and low carbon technologies links closely to the Mobility and Low Carbon challenges. Our expertise in Medical Technologies relates directly to the challenge of an ageing population. We also have the opportunity to maximise benefit from the Midlands Engine Transport Innovation, Medical Technologies and Future Food Processing Accelerators; and from the recent establishment of a Nuclear Advanced Manufacturing Research Centre, as part of the Derby Science and Innovation Campus based on Infinity Park Derby; and a new Medical Technologies Innovation Facility in Nottingham.

The SEP sets out our policy framework for innovation led growth alongside wider policies for aggregate productivity improvements. We will set out detailed plans for specific activities in our Local Industrial Strategy. We will strengthen the collaborative working between the LEP, Universities and industry as we implement this SEP and develop our Local Industrial Strategy.

Promoting Innovation

We will build on D2N2's 'Time to Innovate' plan and the 'Enabling Innovation' programme, to embed a more pervasive culture of innovation across the economy. We have a well-developed innovation ecosystem in D2N2; we will work with partners, particularly our Universities, to ensure that it is fully integrated with the wider business support offer through the D2N2 Growth Hub.



Promoting Inclusive Growth to widen prosperity

This is a strategy for long term productivity improvement providing for sustainable inclusive growth. It aims to enable the widest range of people to contribute to and benefit from economic success, promote enhanced access to opportunities and greater prosperity. As such it will inform action across the 3 themes of the Strategy.

A report by Nottingham Civic Exchange, the RSA and Nottingham Business School highlights the scale of the inclusive growth challenge in D2N2; which has built up over many years as a result of uneven patterns of economic growth, industrial restructuring and a chronic productivity gap. While the employment rate is relatively high, many of the jobs in the economy are low-skilled and low-paid. The majority of households in D2N2 currently living in poverty are in work, with some 30% of those in work earning less than the living wage. Additionally, 27.5% of the economically inactive working age population are too sick to work.

Inter-generational exclusion and economic participation below people's expectations is a lost opportunity for the economy. In our vision for a higher-value economy - where we need to make most of the talent we have in a tightening labour market - we need those currently excluded or deprived to be actively participating in the economy, and contributing to growth through their increased spending power.

The plan will address the inclusive growth challenge by;

- Driving productivity increases across all sectors of the economy, driving up wage levels in the lower-value sectors.

- Enabling people to gain the skills they need to enter the labour market and progress up the escalator.
- Providing growth opportunities across D2N2.
- Ensuring transport connectivity to enable people to access job opportunities.
- Having inclusive growth indicators as part of the framework for monitoring the performance of the economy.
- Developing an inclusive growth framework to inform future strategic and investment decisions relating to the SEP.

As part of the implementation of the SEP, we will apply an inclusive growth framework to inform strategic investment decisions relating to priorities identified in the SEP. In order to ensure that the LEP actively promotes inclusion, we will seek to:

- Improve our understanding of inclusion and include it in all planning, implementation and monitoring activity
- Take action to ensure more inclusive practice is achieved through our role in commissioning and strategic planning
- Influence others on the importance and benefits of inclusion

Promoting Clean Growth and Sustainable Development

Clean growth and sustainable development is key to the quality of our place, the health of our workforce and underpins the long term sustainability of our economy. The UK Government has placed its Clean Growth Strategy and achieving clean growth at the heart of its Industrial Strategy and a key contributor to meeting the UK's obligations under the 2015 Paris Climate Agreement.

Energy and low carbon technologies are a key part of the Clean Growth Strategy and D2N2 has considerable expertise and capability in business and universities in this area, which has been identified as an 'enabling competency' for further development during this strategy period.

We recognise the value of D2N2's high quality environment to economic growth, not only in areas such as the Peak District where the economic value of the landscape is widely accepted, but also in terms of the green and blue infrastructure throughout the area. D2N2 continues to support the ecosystems services approach, valuing the role of our natural environment in under-pinning our economy and quality of life and we will continue to safeguarding its quality and identify and build on opportunities to enhance its sustainable contribution to the achievement of our vision, particularly enjoying a vibrant and high quality natural and cultural environment and safe, healthy, inclusive and sustainable communities in vibrant cities, towns and villages. D2N2 will publish an Energy Strategy, which will contribute towards the pursuit of 'clean growth'.

Working with our 'Anchor Institutions'

To support the delivery of the SEP, D2N2 will work with key civic 'anchor' institutions; those influencing the vitality of the local business environment through core functions; such as local government, agencies of national government, the National Health Service and, particularly our educational institutions in support of innovation and knowledge led-growth.

Further Education.

The majority of post-16 learners study or are aligned through apprenticeships to Further Education (FE) Colleges across the D2N2 area. Further Education is a key player in helping drive productivity.

It is important to the economic output of businesses in the D2N2 area. Thousands of D2N2 businesses, both small through to multi nationals, work with and value FE colleges. The growing attraction of international students to FE colleges also provides the D2N2 area with additional travel, tourism, hospitality opportunities for growth, i.e. Colleges attract students who will live and spend in the D2N2 area.

The Further Education sector faces challenges due to evolving funding models; making recruiting and retaining staff with appropriate industrial experience and knowledge, and investing in building and equipment, more challenging. There are further challenges around parental and teacher perceptions, of the value of going into technical and vocational training or apprenticeships and into employment.

D2N2 will work with Further Education Colleges and independent training providers, to promote high quality provision to equip employers and individuals with the skills required by the modern economy.

Higher Education

Our universities are an important economic sector in their own right, as well as supporting innovation across the wider economy. For example, the University of Nottingham generates some £469million annually in economic output. Nottingham Trent University has in excess of 4,000 staff. It plans to invest £250m in capital over a five year period and was recently named 'Modern University of the Year' by The Times and Sunday Times' 'Good University Guide'. The University of Derby has been named among the world's top 250 modern universities in the Times Higher Education (THE) Young University rankings and has recently expanded ambitiously within Derbyshire, bringing the provision of higher level skills to Buxton and Chesterfield. Our three universities have an established partnership supporting D2N2 LEP at a strategic level. Working together, the universities deliver a number of economic programmes to help companies become more competitive.

The strengths of Higher Education map to the changing opportunities and industries of the future and therefore the sector is vital to the delivery of the Industrial Strategy and increasing investment in R&D. Higher Education is vital to supporting the provision of ideas via investment in entrepreneurship and enterprise, and providing business incubation space. The sector continues to invest in activities to widen participation and increase levels of social mobility to help underpin a fairer economy and good graduate level jobs for all. Higher and Further Education institutions develop lifelong learning pathways for individuals and companies. Currently D2N2 is a net exporter of graduates, which represents a lost resource for the D2N2 LEP area.

The universities play a key role in promoting the region and encouraging inward investment, and attracting business investment in technology and innovation. The importance of our universities to our economy is evident in every strand of this Plan.

The Civic University

All three of our Universities are seeking to expand their civic role, reflecting the work of the UPP Civic Universities Commission, an independent enquiry chaired by Sir Bob Kerslake, which is examining how Universities can effectively serve their 'place' as well as playing a global role. D2N2 will continue to work with all our universities to maximise the potentially enormous beneficial impact of their various roles for the local economy; including harnessing their research, skills, insight and expertise.

Health and Social Care Sector

The health and wellbeing of our workforce is key to the overall health of our economy and economic security and prosperity are significant factors in the health of our working age population. The health and social care sector are significant employers within D2N2 with key links to our life-sciences sector. Although the organisational infrastructure of health and social care is complex, D2N2 LEP will look to work with selected partners to both enhance the health of our workforce and the productivity of our health and social care sector.



Theme 1 - Productive & Growing Businesses

Ambition, by 2030 we will;	...be a world class innovation-led, highly productive economy with a global reputation for manufacturing excellence. At the forefront of technological and business innovation, businesses of all sizes adopt innovative technologies and ways of working. Outward looking, more D2N2 businesses export more goods and services around the world. We are the best and most welcoming place in the country to do business, with firms readily able to access investment, accommodation, infrastructure and trusted advice and support to grow and become more productive. We will invest in and reward creativity and be a great place to start and grow a businesses. We will have tackled the causes of our productivity gap and have a more prosperous and productive economy.
Investment Priorities	(1) Business Productivity: Increase levels of productivity across all sectors – so that we have a larger number of businesses with above average and outstanding productivity.
	(2) Business Growth: Realise the high-growth potential of productive business and grow the stock of high-value businesses in the area through start-ups, spin-outs and inward investment – contributing to output growth across all sectors of the economy.
	(3) Business Support: Ensure D2N2's business support ecosystem is fit-for purpose, delivers against our strategic objectives, offers a business-friendly and coherent service, and is driven by the needs of business.
Innovation Investment Priorities	(4) Support innovation led growth and productivity: Raise performance in our core, innovation-led sectors (Transport Equipment Manufacturing, Food & Drink and Life Sciences) to exceed international benchmarks. Increase the adoption of productivity raising innovative technologies and practises across the economy.

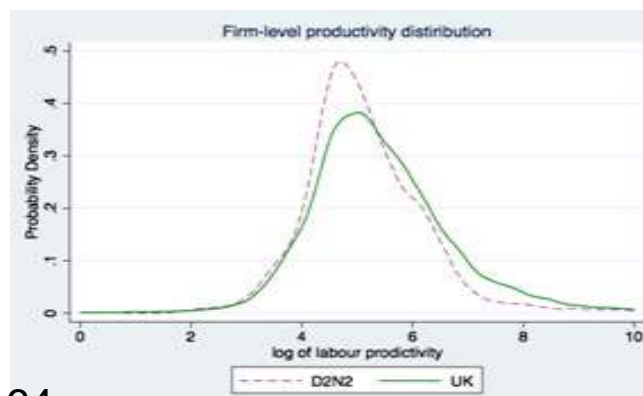
The Productivity Challenge

It is clear from research that whilst the UK has a productivity gap with the OECD, D2N2 has a persistent productivity and incomes gap with the UK. This matters, as CBI describe productivity as “the foundation of wages, living standards, opportunities and prosperity.”

Our ‘deep dive’ review of productivity with Professor Richard Kneller of the University of Nottingham identified that we don’t have a long tail of very unproductive businesses, or a lack of exceptionally productive firms but we do have a disproportionately large number of businesses that are around the average, either just below or just above. Our productivity gap is not due to our sector profile or having under-productive places.

Over time, this gap will result in a steady loss of competitiveness, with long-term employment impacts.

Turning this moderate middle band around holds the key to moving from a productivity deficit to a productive, high-value economy. We need to enable the marginal under-performers to raise their game and exceed the average and our moderately productive businesses to strive to be exceptional. This needs to happen across D2N2's business sectors to have the level of impact required, not just in our current high-value, high-growth sectors. Productivity gains in our lower-value sectors will help increase wage levels for our lowest-paid workers.



Tackling the Productivity Gap

Tackling the productivity gap requires a shift in the focus of business support outcomes towards productivity gains rather than just job creation. The 'deep dive' review identified a range of interventions that are required to close the UK gap and where we need to focus activities in D2N2. To close the gap, we will support firms:

- to create efficiently use new technologies
- to enhanced management practices and organisation
- to access to finance
- With enhanced infrastructure and market access.

This will support the entry of better firms and weaker firms to exit. In line with the evidence, in D2N2 we will;

- target the middle firms across sectors
- support increased investment in new capital
- support more firms to export
- support firms to access management, leadership and coaching support
- support small productive firms to grow – not just small firms
- support higher level skills to support the use of better technologies, particularly digital technologies.

Therefore this strategy will not only focus on investments in infrastructure and connectivity to provide better access to labour, supplies and markets, but also develop a range of support to individual businesses to enhance their productivity. This will include;

- Working with firms to benchmark their current productivity and identify how they can improve their performance. For example, the tool developed by Sir Charlie Mayfield's Productivity Leadership Group enables businesses to check their performance under the themes of leadership, employee engagement, future planning and digitisation.
- Coaching to enable the business to identify the specific actions required to address their needs

- Having a coherent suite of business-friendly support options available across the drivers of productivity – including leadership and management, digitalisation, innovation, skills, capital investment and exporting – with the mix of support required driven by the needs of the business.
- Supporting businesses to implement process or 'new to the firm' innovations, adopt new management practices and new methods of work organisation, and exploit the opportunities from digitalisation.

Evolution of the business support ecosystem

The D2N2 Growth Hub has been a huge step forward as the 'front line' support to businesses in the area. It now needs to be re-purposed in terms of targets and broadened in the scope of its role; to be driven primarily by productivity gains, rather than by the number of businesses supported, and to be the access point for all support to business, including skills and innovation.

The Growth Hub's core purpose - to provide free-to-access support and advice to SMEs - will remain the same, but it will be adapted to reflect the new strategic objectives and be driven by the needs of businesses. The Growth Hub will also play an important role in connecting local firms to national Sector Deals and Grand Challenge opportunities, HS2 supply chain support; and identifying opportunities and threats post-Brexit in the light of the UK's new trading relationships and arrangements.

The Growth Hub will need to offer a range of support options encompassing the drivers of productivity, and that support to help businesses to become more productive and productive business to grow should be available to businesses across sectors. The Growth Hub will balance its approach between making productivity enhancing support available to SMEs across sectors and ensuring that our key sectors receive dedicated support for their sector-specific needs and opportunities. Much of this is already in place but needs to be better joined up to make it more business friendly.

The D2N2 Growth Hub will continue to be the local gateway for businesses to access support services, but it will be re-purposed to deliver proactive support in line with the objectives and priorities in this plan.

2a

**PRODUCTIVITY FOCUS FOR
THE GROWTH HUB**

Strengthen the D2N2 Growth Hub and the support it offers to deliver productivity growth across sectors; through better access to exporting, finance, digitalisation, innovation and leadership and management.

2b

**PRODUCTIVITY FOCUS FOR
THE GROWTH HUB**

High Growth, Productive 'Scale-Ups'
We will expand provision of High Growth business support, focused on small but productive businesses and skills information and support.

**Nurturing our businesses with
high-growth potential**

Research has shown that 'scale-up' businesses (with more than ten employees, and growth of more than 20% per annum over three years) create a significant proportion of the UK's economic growth. We need to enable their continued growth as a matter of priority, building on existing support through the D2N2 Growth Hub, but focusing on the growth of small but productive firms.

This needs to happen across D2N2's business sectors, reflecting the presence of scale-ups and other high-growth businesses in a diverse range of sectors, but those businesses in our innovation-led and other significant sectors will be given particular attention. We will work with partners to meet the identified main support needs for high-growth businesses, which are:

- recruiting people with the skills and ambition for technical and business roles
- developing leaders with the ability to manage rapid growth
- selling to large companies and government, entering new markets, regulatory approval for new products
- access to appropriate growth finance
- accessing research and development facilities and finding suitable premises

**Supporting Business Investment to
Drive Productivity**

Implementing new systems, ways of working or technologies to drive productivity requires investment. There are currently a range of products to support business investment from both the private and public sector, frequently backed by European Structural and Investment Funds or European Investment Bank investment. D2N2 has collaborated with LEPs across the Midlands and the British Business Bank to establish the Midlands Engine Investment Fund to enhance the availability of finance to SMEs across the Midlands. Through the transition to the Shared Prosperity Fund, D2N2 will continue to work with partners to promote enhanced access to investment and finance for SMEs but will more clearly link products with public investment with supporting overall productivity improvement.

**Supporting SME's Access to
Finance**

Support the successful implementation of the Midlands Engine Investment Fund, and enhance as necessary with locally-flexible investment and grant funds to support businesses to make investments to enhance productivity and for productive firms to grow.



Nottingham regenerative medicines specialist Locate Therapeutics was among the first to receive financing from the £250million Midlands Engine Investment Fund. MEIF total resources includes up to £78.5m from Midlands LEPs' EU funding allocations, £11.75m of that from the D2N2 LEP.

Expanding our business stock

Increasing the relatively low levels of business density in D2N2 will help drive up the value of the economy and it will help build resilience to further loss of employment from larger businesses. We need to increase our overall business stock, though inward investment, and new indigenous enterprises.

Inward investment through businesses locating to the area from overseas or elsewhere in the UK is a key driver of productivity and growth. It tends to introduce productive businesses into the economy, and provides new supply chain opportunities for local businesses. D2N2's local inward investment agencies have an important continued role in securing new inward investors and re-investment by existing investors, working with the Department for International Trade on opportunities from overseas as part of the Midlands Engine partnership. This needs to be linked to our industrial specialisms (see Place Marketing,) and to focus on securing high-value, high-growth businesses.

There is strong competition for mobile investment from across the world, so the quality of our offer, our welcome, and our after-sales service has to be first-class. There is scope to increase impact and secure economies of scale by building on the current joint working by the investment agencies and D2N2's local authorities.

While new indigenous business starts are important to the economy, a very small number are likely to grow significantly within ten years. We will focus support on those new businesses with an ambition to grow, including businesses spinning out from universities to commercialise research. Building on our current business survival rate will also be important for levels of business density. The productivity drive will be the main mechanism for achieving this, but inevitably many of the weaker businesses will not survive in our higher-value economy.



D2N2 Senior Programme Manager for Business Engagement Lindsay Wetton (right) at EastMidsAirport Exporting is Great' display in 2016

Exporting for Success

D2N2 remains one of the most important LEPs in England for the export of goods. Research has found a strong correlation between beginning to export successfully and productivity growth in firms. In 2017/18, The D2N2 LEP area exported £10.24 billion worth of goods, some £1.5bn less than was exported in 2015. Of these exports, 48% went to EU countries (up from 40% in 2015) and 52% to non-EU Countries. (HM Revenue & Customs: Trade Statistics issued 28 March, 2018). Although the value of goods exported from D2N2 is high, there are a few firms that export very high volumes; with our challenge being to maintain that whilst expanding the number of firms exporting.

Exporting

Exporting is a key factor in supporting firm productivity. D2N2 will work with the Department for International Trade and partners to support more firms to export from D2N2; and to increase the overall volume of exports to all markets, building on our existing strong international connections, including in China and India.

HS2 Supply Chain Support

The building and operation of High Speed Rail will offer a variety of opportunities for local business, given our existing rail and construction strengths, and opportunities to secure inward investment. We will work with partners to promote supply chain opportunities in line with the East Midlands HS2 Growth Strategy. This identifies three short term priorities, subject to funding availability, of:

- Establishing a coordinated approach to business support that will help local SMEs benefit from HS2-related contract and supply chain opportunities, to be driven by D2N2, LLEP and the private sector.
- Establishing a 'rail industry innovation group' through Rail Forum East Midlands, to help drive innovation within our thriving SME rail engineering sector.
- Developing a comprehensive HS2 awareness campaign, aimed at raising the ambition of people and businesses to make the most of HS2.

The Strategic Economic Plan identifies that over the longer term, we would expect mainstream Government funding for skills and business support activity to be refocused around our priorities.

Supporting Businesses – Segmenting the Business Base

To achieve our ambitions for aggregate productivity growth, we need businesses in all sectors to improve performance, and we will repurpose our Growth Hub and business support products accordingly. At the same time we will seek to capitalise on our distinctive industrial assets, particularly associated with advanced manufacturing, underpinned by very strong research and innovation capabilities; and respond to the specific opportunities and challenges of key sectors, clusters and types of firms in the D2N2 economy.

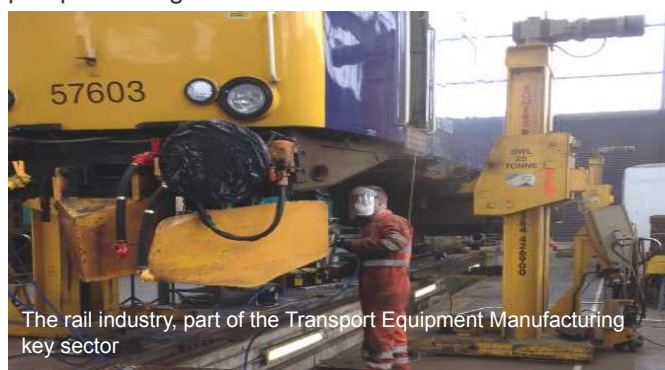
Technology and Sectors

Sector definitions are challenged by the emergence of new technology. It remains difficult to satisfactorily define through SIC codes what we may think of as 'digital' and 'low carbon' sectors. Many technology drivers of change cut across conventional sector boundaries, as traditionally separate sectors 'converge'. In essence, sector definitions are static, but the real economy is dynamic: innovation and new business growth will occur where there is a market, which may not align with a pre-existing sector schedule. Therefore we will look to adopt a more intelligent, agile and evidence led approach to segmenting and supporting our business base through a combination of generic and specific services and interventions driven by how we can most effectively increase our aggregate productivity.

Priority Sectors

We have identified 11 priority sectors important to the D2N2 economy for different reasons and will need different interventions in order to effectively contribute to productivity growth. Where appropriate, D2N2 will seek to maximise the value of sector deals for the D2N2 economy.

Our priority sectors are split into two categories, our Science and Innovation Core Sectors and our Opportunity Sectors. These sectors have been identified according to their degree of specialisation, tradeable 'clustering', concentration of employment or prospects for growth as described in the table.



Sector Analysis		Specialism ¹	Cluster ²	Jobs ³	Growth ⁴
Core	Transport Equip. Man.	●	●		●
	Food & Drink Man.	●	●		●
	Life Sciences	●	●		●
	Creative & Digital		●		
	Visitor Economy		●		
Opportunity	Logistics & E-Commerce	●	●		●
	Construction		●	●	●
	Extractive Industries	●	●		
	Retail			●	
	Health/Social Care			●	
	Prof./Business Service		●	●	

1, Location quotient above UK average

2, Evidence of clustering in 'tradeable' sectors, i.e. with strong connections to national/global markets

3, > 5% of all D2N2 jobs in sector in 2016

4, Projected growth in GVA > 25% to 2030

Science and Innovation Core Sectors

We need to exploit D2N2's competitive edge and build on those parts of the economy which offer global opportunities for growth.

We will exploit D2N2's competitive advantages in our three Science and Innovation Core Sectors of;

- Transport Equipment Manufacturing,
- Food & Drink Manufacturing,
- Life Sciences.

Transport Equipment Manufacturing

Motor vehicle and 'other' transport equipment manufacturing are specialised, highly productive and forecast to grow in the future. The 'other transport equipment' manufacturing sector has the largest average employment per business of any D2N2 sector.

The D2N2 area is recognised as being home to a critical mass of globally competitive businesses, and high-technology SMEs, operating within and across a range of transport-related industries. Major industrial strengths and research excellence are evident in the aerospace, automotive and rail sectors. In aerospace and rail particularly, our business base covers the full spectrum from R&D through to production and after sales service, putting us at the forefront of 'Next Generation Transport'

Our priority sectors are split into two categories, our Science and Innovation Core Sectors and our Opportunity Sectors. These sectors have been identified according to their degree of specialisation, tradeable 'clustering', concentration of employment or prospects for growth as described in the table.

There are significant growth opportunities for the sector. The global rail market is forecast to be worth £128bn by 2019. Low emission vehicle exports were estimated to be worth £2.5 billion to the UK economy in 2015. In the UK 80% of the vehicles produced here are already exported across the world. The global volume of air traffic is expected to increase to 16bn passengers annually in 2050 (compared to 3.7bn passengers in 2016).

Overall, the large civil airliner market is forecast to be worth \$3.2tn by 2030. The market for CAVs (Connected and Autonomous Vehicles) in the UK is estimated to be worth £28bn in 2035. Employment estimations for the manufacture and assembly of CAVs are 6,400 people in 2020, rising to 27,400 by 2035.

TRANSPORT EQUIPMENT MANUFACTURING

D2N2 will work with partners on a Productivity and Growth Plan that will strengthen supply chain programmes focused on increasing productivity, link clusters to world class research facilities, support the provision of skills required for the digital manufacturing processes of 'Industry 4.0', deepen links to science and innovation expertise and ensure that there is a supply of premises and opportunities for business growth.

Food and Drink Manufacturing

Food and drink manufacturing is specialised in GVA and more productive than sector benchmarks, although below the national level of productivity. It accounts for over 2% of both D2N2's GVA and jobs, and is growing on both measures. The ONS (Office for National Statistics) has shown that Derbyshire and Nottinghamshire has been the main contributor to the increase in food and drink manufacturing GVA in the East Midlands. In 2012, D2N2 accounted for 28.7% (£840m) of F&D manufacturing GVA in the East Midlands (£2,926). In 2015, D2N2 accounted for 36.4% (£1,209) of GVA in the East Midlands (£3,320). This is an increase in GVA of £369million in D2N2, i.e: a 43.9% increase.

There are significant global opportunities for food and drink manufacturing. It is estimated that demand for food will increase by c.90% by 2050. This includes expected increases in meat consumption in low income countries, and dairy product consumption in developing countries.



Life Sciences

The Midlands Engine Science and Innovation Audit also identified Medical Technologies and Pharmaceuticals as an important area of strength for the Midlands. Reflecting the presence of major employer Boots and its expertise in pharmacy, wellbeing and beauty, our strength in D2N2 extends beyond this.

We have a broad base of Life Science and Healthcare strengths with a clear spatial opportunity around Nottingham's expanding cluster, with links south to Charwood but with firms across the area including the High Peak. Our strengths include Biotech and Pharmaceuticals, alongside medical technologies and wellbeing with capabilities in clinical trials, trauma and defence medicine and medical devices. For Human Health in particular, it is important to recognise our relationships with firms and researchers outside of the D2N2 area.

There are global opportunities for the Life Sciences sector. Global healthcare spending is estimated to rise by 4.3% by 2020, reaching \$8,734bn. Hospital spending on analytics is expected to reach \$18.7bn by 2020, due to the focus on quality improvement and cost reduction. Pharmaceutical sales are expected to improve between 2016-2020, globally, growing at an average of 4.4%. The European medical technologies market is worth an estimated €100bn, almost a third of the global market. The UK's medical technology market is the third largest in Europe, worth around £7.6bn. The fastest growing segments by revenue are medical imaging, in-vitro diagnostics, and drug delivery.

Our priority sectors are split into two categories, our Science and Innovation Core Sectors and our Opportunity Sectors. These sectors have been identified according to their degree of specialisation, tradeable 'clustering', concentration of employment or prospects for growth as described in the table.

LIFE SCIENCES

D2N2 will work with partners on a Productivity and Growth Plan that addresses key challenges in the sector, including supporting development of the research and development base; including higher education links, and the availability of premises and investment to support business growth. and skills information and support

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INNOVATION LED PRODUCTIVITY GROWTH

Collaborate with universities, businesses and sector bodies to develop and implement productivity and growth plans in our science and innovation core sectors, and exploit our advantages in our four enabling competencies.

Opportunity Sectors

Our 'opportunity sectors' are Priority Sectors important to the local economy in different ways, and which will require varied interventions to support productivity growth. As described above, they may be important to the economy because they are particularly specialised; or there is a cluster of activity within D2N2, or part of our area, combined with being a major employer or having strong growth prospects.

Large employment but relatively low paying sectors that are subject to change have a large impact on our aggregate economic productivity and the pay of large parts of the D2N2 workforce. Raising productivity and pay in these sectors is key to promoting 'inclusive growth'.

SUPPORTING OUR OPPORTUNITY SECTORS

We will work with partners to identify the key interventions required to support our opportunity sectors, to contribute to productivity growth in D2N2 and work with partners to prioritise and implement them.

Creative and Digital

Creative and Digital Industries (CDI) is a large sector covering a wide range of areas. These include video and film production, photography, music, book publishing, radio/TV broadcasting, computer games development, social media, software that supports these industries and the telecommunications sector.

It is a fast growing sector locally, nationally and internationally, and digital is important to the growth and development of other sectors. It is crucial that supplying software services and digital technologies for transport equipment manufacturing, life sciences, visitor economy, and construction sectors can encourage innovation and design quality.

The use of big and open data to be able to map out trends and forecasts is vital to the development of the sector. Furthermore the creative and digital industries are a way to enhance the D2N2 area's appeal; by attracting more inward investment, driving socio-economic change and creating a culture of innovation, enterprise and creativity across other economic sectors.

CREATIVE & DIGITAL

Key requirements include support for sector marketing and visibility, enhancing leadership and management skills, improving access to appropriate financial instruments, boosting technical skills, improving access to networking, better connectivity and, for some subsectors, availability of appropriate workspace.

Logistics & E-Commerce

This is a strong commercial cluster and a D2N2 specialism in terms of share of GVA. The sector outperforms national peers on productivity. It sustains some 22,000 jobs in more than 2,500 businesses. It has a 28% GVA growth forecast, to 2030. Employment in the sector is dispersed around that area, particularly around key transport corridors and hubs. Productivity from automation, evolution in skills requirements.

LOGISTICS & E-COMMERCE

There are significant potential opportunities given our central location as a transport hub and links to strengths in knowledge base (e.g. systems integration). The availability of sufficiently large sites near major junctions will affect the scale of growth.

Extractive Industries

There is a nationally significant cluster based in the north-west of D2N2. Infrastructure in the UK will drive demand for product, i.e: growing civil engineering markets such as HS2, Crossrail2, and housebuilding. The mining and quarrying sector has a matured but ageing workforce and workforce replacement is anticipated to be an increasing priority for the sector for the coming decades.

It has very local supply chains. Encouraging younger people into the sector is likely to become increasingly important and there is currently an underdeveloped skills infrastructure in place nationally to ensure the supply of workers into the sector.

EXTRACTIVE INDUSTRIES

Investment in overcoming known local road congestion challenges will significantly help the sector to transport bulk minerals efficiently. Investment in rail infrastructure will help to unlock the market reach of minerals from High Peak and Derbyshire Dales.

Construction

Construction is slightly over-represented in terms of GVA, slightly under-represented in jobs and productivity is just below the sectoral benchmark. It accounts for around 6% of both D2N2's GVA and jobs, and is the largest D2N2 sector in terms of the size of the business stock. Over the past 15 years, GVA has grown but employment levels have fallen.

Both indicators are expected to rise in the future. An important sector in terms of scale of employment across D2N2, it has the largest business stock (more than 8,500) of all sectors in the economy and high GVA growth is forecast to 2030 (45%). The sector is also important in relation to HS2, housebuilding, infrastructure and employment sites, and links to strengths in knowledge base (e.g. low-carbon construction).

The strength of the Construction sector is intrinsically linked to the performance of the wider local and national economies. National policy (e.g. housebuilding), government investment (e.g. major transport schemes) and growing business confidence (leading to increased commercial property demand) are key drivers for the sector.

D2N2 has emerging strengths in modern methods of construction (MMC), such as off-site manufacture and low carbon construction, including expertise in Nottingham Trent University and Laing O'Rourke's Explore Manufacturing facility near Worksop. D2N2 will seek to support the growth of our capability to explore the growth in utilisation of MMC techniques.

CONSTRUCTION

The local challenge is to ensure a pipeline of skilled workers for the Construction industry, exploit our advantages in our knowledge base, support the industry to adapt to digitisation and exploit the opportunities arising from Modern Methods of Construction and low carbon technologies.

Visitor Economy

The Visitor Economy is important in employment terms for city and rural economies and also generates significant income through visitor spending (more than £6bn in East Midlands in 2016, with £1.6bn in Derbyshire alone), as well as helping to raise the profile of the area externally. VisitEngland / VisitBritain predict that inbound tourism to Britain is due to grow by 3.8% every year until 2025.

In D2N2 we have opportunities to exploit our outstanding natural, heritage, cultural and sporting assets to increase the value of the Visitor Economy. There are opportunities to boost the value and productivity of the sector by targeting new markets, offering higher value experiences, extending the 'season' and increasing the global market share of international leisure visits, business visits and the events sector.



Derby Museums is part of 'The Grand Tour' partnership; an initiative by D2N2 area cultural sites to increase visitor numbers, which received LEP funding.

D2N2's heritage assets are distinctive to our area, reflect our rich and varied history and can be a source of high value visits. D2N2 has already invested Local Growth Funding in key heritage attractions such as Nottingham Castle and the Sherwood Forest Visitors' Centre. There is potential to develop marketing and capital investment approaches to enhancing other assets, such as through the Derwent Valley Mills world heritage site. We will also be agile to the opportunities offered by the Tourism Sector Deal, such as Tourism Action Zones, to develop our priority visitor economy sector.

Working in partnership through the Midlands Engine, we will seek to exploit the opportunities of enhanced connectivity provide by East Midlands, Birmingham and other key airports and particularly High Speed Rail, with a focus on the most lucrative markets including the USA, China and India. The 'Experience economy' continues to expand, requiring continued investment in 'experience' facilities to promote vibrant destinations.

VISITOR ECONOMY

We not only need the scale and quality of 'product' to support high value visitor spend, our businesses need to be 'international ready'. We need effective marketing of our key destinations and products, the roll out and effective utilisation of enhanced digital connectivity, and the development of a skills and careers approach to provide for an escalator of roles and support. D2N2 will continue to work with partners to take advantage of emerging opportunities, such as the designation of a Tourism Action Zone in the D2N2 LEP area.

Professional & Business Services

The professional, business and financial services sector serves both firms and individuals. In Derby and Nottingham it is largely dependent on the strength of the underlying business and consumer economies and tends to be regionally rather than nationally focused. Over recent years there has been some relocation in the sector (notably large accounting firms relocating from cities to near East Midlands Parkway). This has been balanced by the growth of other firms within the city centres. This sector employs a large number of people in both cities, often with a focus on high income and graduate level opportunities.

Productivity is quite high in our IT services, finance and insurance, and real estate sectors, and they are reasonably large employers. They account for a smaller share of employment than in the country as a whole. However, D2N2 does contain significant assets in this category, particularly in Nottingham; including firms (such as Experian) in quite specialised areas of data analytics.

D2N2 will support the development of 'critical mass' in our high value professional and businesses services sectors. As the business base grows, the talent pool is also likely to grow, in turn providing a further location incentive. This will involve understanding the potential for local specialisms, such as, potentially, 'fintech', as well as an inward investment-driven strategy.

PROFESSIONAL & BUSINESS SERVICE

Growth in high value services will contribute towards increased productivity performance with lack of availability of 'Grade A' office space in key locations an identified challenge. The East Midlands HS2 Growth Strategy identifies High Value Services as a sector which can particularly benefit from HS2 connectivity.

High Volume Sectors

Large employment but relatively low paying sectors which are subject to change have a large impact on our aggregate economic productivity, and the pay of large parts of the D2N2 workforce. Raising productivity and pay in these sectors is key to promoting 'inclusive growth'.

Most of the jobs in D2N2 are in sectors that primarily provide a service to the local population e.g. retail, and health & social work. There will always be a need for a healthy services sector and this sector will continue to be the main source of employment within the local economy. Increasing firms' productivity in these sectors, and the skills demand and supply, can promote both aggregate productivity improvement and inclusive growth, by supporting higher wages at the lower end of the labour market.

This can complement economic growth from high-value-added sectors; notably manufacturing, which overall is D2N2's main sector specialism.

Artist's impression of planned changes under Nottingham's Broadmarsh and Southern Gateway plan; co-funded by D2N2's Local Growth Fund allocation.



Retail

A high employment, high job creation but relatively low productivity business to consumer sector. Trends towards on-line retail are set to continue with implications for the type and location of retail business and retail employment in D2N2. This will affect not only the types of roles within the retail sector but also where retail takes place –with implications for the vitality of high streets in our cities and towns. Although the ability for D2N2 and partners to support retail businesses may be limited, we will seek to encourage the creation of higher value employment by supporting productivity improvements and complementary skills support.

Health & Social Care

A high volume and high job creation sector. Within the context of an ageing population, the health and social care sector is set to expand. Social care budgets are under increasing pressure and the shortage of workers is being exacerbated by uncertainties related to Brexit. The model of social care is having to respond to these pressures and assistive technology will become increasingly important in enabling people with care needs to live independent lives. New entrants to the sector's workforce will require greater skills, and the image of the sector as low wage/low skill will need to be countered.

Enabling Competences

Cutting across sectors we have four areas, described as 'enabling competencies' where D2N2 has stand-out specialisms in the knowledge base (industry and centres of research & learning). These are;

- Advanced Manufacturing
- Digital Technologies and Data
- Systems Integration,
- Low Carbon technologies

We will work with businesses and educational institutions to support collaborative competency, technology and knowledge based transfer across institutions and sectors to drive productivity and develop D2N2's collective response to the Grand Challenges.

Enabling Competency 1 - Advanced Manufacturing and Engineering

Manufacturing is changing, both in terms of production and the broader value chain. The emergence of Industry 4.0 and its associated technologies and techniques – including cyber physical systems, big data analytics, the Internet of Things and cloud computing (often summarised as industrial digitalisation) – will lead to the rise of 'smart factories', and a major shift in how products across multiple sectors and technology areas are produced. Capitalising on industrial digitalisation will help UK firms to "make things smarter, better and faster." With businesses and researchers in D2N2 offering important capabilities in this space, and in Digital Technologies and Data, we are very well placed to lever in technological leadership, promote rapid adoption and drive further innovation in this area.

The manufacturing value chain is expanding to incorporate a wider set of activities. Research and development (R&D), product design and development, supplier management, and after sales services are opportunities to generate value; including through the 'servitisation' of manufacturing.

Manufacturing and engineering remain an important part of our economy. Some 126,000 people are employed in the manufacturing sector in our area. Employers range from SMEs to multinational firms across a broad spectrum of manufacturing sub-sectors. Organisations in our area are not just reacting to trends discussed, they are helping to shape and drive them. For this reason, Advanced Manufacturing and Engineering is our first enabling competency.

Large multinational manufacturers in areas as diverse as transport and food operate in our area. Toyota's largest UK site is in D2N2, while Nestlé has largescale facilities at the very northern and southern edges of our area. Textiles manufacturing has historically been important to our area and continues to be with Speedo's HQ and R&D centre are located in Nottingham; alongside Paul Smith, Quantum Clothing, and technical and medical textiles firm Capatex. Three of our fastest growing scale-ups are manufacturers:

- Tioga - contract manufacturing services for advanced electronic products.
- Lasershape - Provides laser and waterjet cutting.
- Swiftool Precision Engineering - Manufactures a range of components, turnkey projects and kits.

The University of Nottingham had the third most powerful research in 'General Engineering' in the UK. Specific centres of excellence in our area include:

Nottingham's Precision Manufacturing Centre, Derby's Institute for Innovation in Sustainable Engineering, and Nottingham Trent's Advanced Design and Manufacturing Engineering Centre. The University of Nottingham also hosts the '20 partner Network Plus: Industrial Systems in the Digital Age' project. Its new Advanced Manufacturing Building houses research and teaching activity. The Smart Specialisation hub has identified a high innovation capability in High Value Manufacturing in D2N2.

Importantly, the Derby Manufacturing University Technical College (UTC) will help to train the next generation. Support from lead industrial partners Rolls-Royce, Toyota and Bombardier will ensure that they are fully equipped to tackle the challenges and opportunities that Industry 4.0 and associated trends will represent for our businesses. The UTC specialises in engineering education and training, with a specific focus on advanced manufacturing, product design, materials science, advanced composites and sustainability in engineering also hosts the '20 partner Network Plus: Industrial Systems in the Digital Age' project. Its new Advanced Manufacturing Building houses research and teaching activity. The Smart Specialisation hub has identified a high innovation capability in High Value Manufacturing in D2N2.

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Enabling Competency 2 - Digital Technologies and Data

As digital technologies and data become increasingly pervasive across all sectors of the D2N2 economy, the way industries operate is changing rapidly. This includes the increasing adoption of digital techniques from computer-based filling systems through to industrial digitalisation, the derivation of value from analysis of 'big data', and the emergence (and proliferation) of the Internet of Things. Our enabling competency in this area reflects these trends and the emergence of a dynamic digital tech cluster in Nottingham.

Using Tech City's definition of digital technology employment, there are 23,000 jobs in this area across D2N2. Many of these are in Nottingham where Tech City identified a digital cluster. Four specific areas of activity are highlighted below.

- Computer games sector – Ukie has identified 28 firms in Nottingham and a further ten in Derby with significant players, including Sumo.
- Financial data management and analysis – Experian, TDX Group and Capital One are based in Nottingham.
- Life sciences and e-health – BioCity hosts a number of firms reliant on the development of advanced digital applications to drug discovery and medical devices.
- Satellite applications – The University of Nottingham hosts the Space TEC Programme, a two year incubation project based at UNIP, which is part-funded by the UK Space Agency.

These applied industrial strengths are backed by complementary research at our HEIs. The University of Nottingham's Horizon Digital Economy Research Institute, and Nottingham Trent's Computational Intelligence and Applications Research Group and Creative and Virtual Technologies Research Lab, give us an international competitive advantage in Computer Science research.

Our Advanced Manufacturing research assets connected to industrial digitisation are also important in the context of Digital Technologies. Our HEIs also provide valuable training in this area. For example, Nottingham Trent University offers an MSc in Data Analytics for Business, which follows a curriculum co-designed with employers, whilst the University of Derby has an MSc course in Big Data Analytics.

Our HEIs are collaborating with internationally significant players in this area. There have been 18 collaborations with Microsoft and Nottingham, as well as three with IBM. In addition, all three of our HEIs have collaborated with cyber security experts QinetiQ, and both Nottingham HEIs have worked with Cambridge based ARM. Our strengths in this enabling competence are also applied in areas as diverse as heritage. Nottingham Trent University is using digital technologies for 3D modelling, animation and scanning as part of its research theme on Global Heritage.

There is scope to do more to link these well-evidenced strengths with our advanced manufacturing and engineering strengths.

Enabling Competency 3 – Energy and Low Carbon

Our excellence in academic research, important employers, and the application of innovative low carbon technology (whether in low carbon construction, district heating or demonstrator projects) form the basis of our strength in Energy and Low Carbon. Although identified as a ‘market opportunity’ in our Science and Innovation Audit, given its reach across industrial sectors, it is considered as an ‘Enabling Competency’ in our SEP.

The carbon-intensity of the global economy is predicted to halve by 2040, due to tougher regulations and a transition to less carbon-intensive energy sources. In this context, the world energy market is due to grow. World energy consumption is expected to increase by 28% by 2040. Global electricity demand is projected to increase by 85% from 2010 to 2040. World electricity generation is predicted to increase by 70% from 2011 to 2030.

Solar and wind energy is predicted to account for 20-39% of power generation in 2060, up from just 4% in 2014. Global investment in the power sector is forecast to be \$21tn up to 2040, with over 40% in transmission and distribution networks. The worldwide energy storage market is expected to quadruple to \$6bn by 2020. The use of nuclear power will increase intensively in developing nations. Nuclear energy is expected to increase by over half from 2014 to 2040.

Energy and Low Carbon is more concentrated in our area in terms of jobs, with more than double the number of jobs, as a proportion of total employment, compared to Great Britain; but it is under-represented in the number of businesses. E.ON has multiple offices in our area and operates the combined heat and power plant at Nottingham Queen’s Medical Centre. Other important employers in the energy sector include Robin Hood Energy, a local authority owned not for profit energy company; Hoval, a designer and manufacturer of commercial heating systems; and Rolls-Royce, producing

nuclear reactor systems for the UK submarine fleet, and a major player in relation to small modular reactors also used in commercial mainstream nuclear power generation.

D2N2 also has developing capacity in nuclear technologies through the Nuclear Advanced Manufacturing Research Centre (AMRC) Midlands at the iHub, on Infinity Park in Derby, (opened February 2019). This will support our manufacturing SME base in accessing the expanding nuclear supply chain through the ‘Fit for Nuclear’ programme. Our scientific research assets in the Energy and Low Carbon field include:

- The British Geological Survey (BGS) - A world leading geological survey organisation and the UK’s premier provider of authoritative geoscientific data and knowledge, for wealth creation.
- The Energy Research Accelerator (ERA) – Cross-disciplinary energy innovation hub which brings together the BGS, the University of Nottingham and five other Midlands HEIs.
- The Energy Technologies Research Institute –A focal point for research and industrial collaborations at the University of Nottingham.
- The University of Derby’s Institute for Innovation in Sustainable Engineering includes energy and the environment as one of six core themes.
- The Centre for Energy Innovation was established at the Health and Safety Laboratory (HSL) in Buxton in 2016.

Our area is also distinctive because of the location of several energy and low carbon demonstrator projects in and around Nottingham, including:

- Creative Energy Homes is a £1.9m project of seven test houses on the University of Nottingham campus.
- The Community Energy Demonstrator at Trent Basin is a large scale regeneration scheme. It includes an integrated smart heat and power micro-grid for low energy demand buildings, ground source heat pumps, and communal battery storage.
- The University of Nottingham’s Geo-Energy Test Bed (an Energy Research Accelerator facility) is designated for the testing and ‘ground-truthing’ of borehole sensors and software.

- On the University of Nottingham's Innovation Park (pictured below), the Energy technologies Building is itself a low carbon building and hosts research facilities including a smart grid, a prototyping hall and the UK's first green hydrogen refuelling facility.
- The BGS's UK Geoenergy Observatories project will create subsurface energy-research test centres to develop new energy technologies (although the first two centres will be outside D2N2)

Low carbon construction and building technologies are important for both new build and retrofitting existing properties. The headquarters of Bowmer & Kirkland and Gusto Group are in our area, as is Laing O'Rourke's 'Explore Manufacturing' facility.

The D2N2 Energy Strategy

We will work with partners to publish and implement a D2N2 Energy Strategy that will help to capitalise on these strengths and unlock decarbonisation related growth opportunities. There are clear synergies between energy and low carbon across our sectors and with our other enabling competencies of systems integration, digital technologies and advanced manufacturing.

We will work to exploit market opportunities for our assets arising from the Government's Sector Deals, Grand Challenges and other Industrial Strategy funding opportunities. We will further work with partners to identify niche specialisms within the core sectors and enabling competencies in which D2N2 already has, or has the potential to secure, an international competitive advantage. Their support needs are likely to include: test facilities, digitalisation, supply chain development and commercialisation of research.



Enabling Competency 4 – Systems Integration

Systems integration involves research into the development of products, processes, and services and their subsequent implementation to enable 'whole systems' approaches to a wide range of economic and social activities. It also includes how these products, processes and services can be better designed, managed and operated, including through the intelligent use of data to inform decision making.

Whole systems thinking and integration is particularly prominent in our area in relation to energy, particularly developing a 'whole systems' approach to how energy is generated, stored, supplied, managed and consumed. Smart Cities are another area where whole systems thinking is critically important. Through the EU funded REMOURBAN project, Nottingham aims to take advantage of the crossover between energy, mobility and ICT to develop a new method for developing smart cities.

As well as these broader themes, whole systems thinking can also be applied to more specific areas of focus and these are demonstrated by our major private sector firms. SNC-Lavalin, with its UK HQ in Derby, has expertise in integrating rolling stock and infrastructure through rail control systems. Systems integration is also evident in integrated manufacturing systems to ensure efficient and high quality product design, development and production. This is particularly important to major companies such as Rolls-Royce and supported by the Manufacturing Systems Integration Laboratory at Nottingham University, which focuses on manufacturing processes, automation control and the use of sophisticated robotics. We also have a wider consultancy and technical testing and analysis business base.

As systems integration is inherently cross-cutting and multi-faceted, involving thinking across rather than within individual disciplines, it is difficult to capture within published data on research excellence.

Capitalising on our Competitive Advantages
To exploit our competitive advantages in our enabling competencies, we will work with business, universities and partners to;

increase productivity through exploitation & adoption of new technologies and processes

Support the development and commercialisation of innovative products, goods and services

Increase industry & research base links to accelerate commercialisation and innovation.

Supporting Investment in Innovation

We will work with partners to secure funding for collaborative projects that promote business innovations such as the Infinity Park Science and Innovation Campus which will include the Midlands facility for the Nuclear Advanced Manufacturing Research Centre.

We will further work with partners to secure funding for a range of innovation facilities and programmes, in line with this strategy, including to;

- become the UK's transport innovation test bed, securing national centre of excellence in Next Generation Transport,
- secure national recognition as UK life sciences and creative & digital centre,
- maximise D2N2 benefit from Midlands Engine Transport Innovation, Medical Technologies & Future Food Processing Accelerators,
- secure investment in facilities, such as the establishment of a new Medical Technologies Innovation Facility at NTU's Clifton campus (pictured),
- build on existing Enabling Innovation programme, to create a more cohesive suite of easily accessible products,
- introduce a programme of support to help businesses adopt new technologies, building on Digital Business Growth, and with the focus on the four D2N2 specialisms,
- create an Industry 4.0 demonstrator, building on automated assembly demonstrator in Aerospace Technology Centre,

Supporting our major manufacturers and other anchor businesses...

Our major manufacturing businesses – e.g. Rolls-Royce, Toyota and Bombardier – are a significant asset and differentiator. They are world-class businesses, using leading-edge technologies. Their operations are based in and around Derby (although Rolls-Royce also has a site in Hucknall) but they have supply chains across D2N2. They are major local employers with strong roots in the local economy: with extensive capital assets locally; making a significant contribution to D2N2's GVA; and contributing to and benefiting from local infrastructure. Rolls-Royce especially is a key player in the local economy as it has its HQ in D2N2, has significant research capability in the area and has particularly strong economic and political connections nationally and internationally.

Recognising that in a global economy capital is mobile, we need to ensure that D2N2 economy has the conditions and asset base that compels these businesses to continue to invest locally and that heightens their sense of belonging – in terms of the quality of skills supply, transport connections and supply chains.

It is also important to recognise that other major businesses in the area provide an 'anchor' role for local communities and for local supply chains and they need to be engaged in the roll-out of the strategy. Being exposed to global challenges and opportunities, our major manufacturers and anchor businesses operate in a dynamic environment where decisions can have significant local implications, such as the global re-structuring announced by Rolls Royce on 14th June 2018 which is expected to lead to a reduction of around 4,600 roles, predominantly in the UK and particularly in Derby, taking place alongside a £150m investment in new and existing Civil Aerospace

Supporting our major manufacturers and other anchor businesses

We will embed and consolidate the presence of our major manufacturers and other anchor businesses in the local economy by:

- Continuing to recognise the importance of advanced manufacturing to the D2N2 economy.
- Building a deeper strategic relationship with them.
- Addressing barriers to their continued investment.
- Building on and enhancing their collaboration with our universities.
- Encouraging further R&D activities to be undertaken in D2N2 and potential re-shoring.
- Helping develop the competitiveness of their supply chains, building on existing local and national initiatives.

Priority Science and Innovation Sectors				Priority Opportunity Sectors				High Employment Sectors		
Transport Equipment Manufacturing	Food & Drink Manufacturing	Life Sciences	Creative & Digital	Visitor Economy	Logistics & Ecommerce	Construction	Mineral Products	Professional & Business Services	Retail	Health & Social Care
Large, highly specialised, growing & productive. Knowledge assets. Major OEMs	Specialised and forecast to intensify. Employment growth. Average productivity. Knowledge assets	Small but specialised & productive. Growth prospects. Knowledge assets	Rapid growth sector. Not specialised in D2N2. Digital highly productive.	Large employer. Low productivity but potential for growth. Not specialised in D2N2. Cultural assets	Large, specialised, growing. Average productivity but more productive in D2N2 than UK	Large, growing. Future growth. Average productivity & specialisation. Knowledge assets.	Locally specialised. Local supply chains. Low employment. Strategic resource for growth.	Small, but productive and growing. Data analytics assets.	High employment, low productivity. More productive in D2N2 than UK	High employment, low productivity. Large growth predicted
Supply chain support	Provision of high standard premises	Provision of high standard premises	Provision of high standard premises	Raise value of visitor spend	Availability of sites	Technical skills	Transport infrastructure	Provision of high standard premises	Digital skills & connectivity	Digital skills & connectivity
Skills for digital manufacturing	Export support	Growth investment	Growth investment	Digital skills & connectivity	Technical skills	Digitalisation & MMC	Technical skills	Inward investment	Innovation adoption	Innovation adoption
Link clusters to world class research	Link clusters to world class research	Link clusters to world class research	Leadership & management	International marketing & connectivity, HS2		HS2 construction	HS2 construction	HS2 connectivity	Town and City Centres	
			Technical skills	Accommodation						
Science and Innovation: Enabling Competencies	To exploit our competitive advantages, we will work with business, universities and partners to:									
	Advanced Manufacturing & Engineering									
	Digital Technologies & Data									
	Energy & Low-Carbon Technologies									
	Systems Integration									
Business Support Focus	1. Increase productivity, via exploitation and adoption of new technologies and processes									
	2. Support development and commercialisation of innovative products, goods and services									
	3. Increase industry and research base links, to accelerate commercialisation and innovation.									
	Repurpose D2N2 Growth Hub and support programmes to focus on productivity improvement across sectors through access to investment, digitalisation, innovation, leadership and management, high growth, exporting, innovation and skills support.									
	'Middle Band'									
	Businesses with productivity around average									
	High-Growth & Potential									
	Scale-ups, potential scale-ups, and businesses with ambition to grow									
	Major Manufacturers and other 'Anchor' Businesses									
	Rolls-Royce, Toyota, Bombardier, Boots, Experian, etc									

Priorities	Actions
1)Business Productivity	<ul style="list-style-type: none"> ● Repurpose D2N2 Growth Hub to have a specific focus on business productivity improvement ● Market analysis to identify businesses in 'middle band' of productivity performance ● Develop diagnostic tool to benchmark business productivity performance ● Develop coaching/mentoring programme for business, based on drivers of productivity.
2)Business Growth	<ul style="list-style-type: none"> ● Continue and enhance support for productive Scale-up businesses with high-growth potential ● Help our major manufacturing primes to develop the competitiveness of their local supply chains, building on existing initiatives ● Support the successful implementation of the Midlands Engine Investment Fund, and enhance as necessary with locally flexible investment and grant funds to support growth ● Grow exports to all markets, building on our existing strong international connections, including in China and India ● Through place marketing, attract inward investment in key sectors, re-shore supply chains, and encourage growth in the R&D capabilities of our major innovation-led corporates.
3)Business Support	<ul style="list-style-type: none"> ● Enhance and sustain the D2N2 Growth Hub as the gateway to SMEs: <ul style="list-style-type: none"> ● repurposed to reflect the SEP's revised strategic objectives recognised as the access point for all support to business, including skills and innovation ● service to be driven by the needs of businesses. ● Review the range of business support options encompassing the drivers of productivity to ensure that they meet the needs of the target markets; including leadership & management, access to finance and routes to market ● Enable firms to exploit the opportunities of HS2.
4) Driving Innovation	<ul style="list-style-type: none"> ● Core innovation-led sectors to develop Productivity & Growth Plans, including proposals for exploiting opportunities associated with the Grand Challenges ● Become the UK's transport innovation test bed, securing national centre of excellence in Next Generation Transport ● Secure national recognition as UK life sciences and creative & digital centre ● Maximise D2N2 benefit from Midlands Engine Transport Innovation, Medical Technologies & Future Food Processing Accelerators ● Secure investment in facilities, such as the establishment of a new Medical Technologies Innovation Facility at NTU's Clifton campus ● Build on Enabling Innovation programme, to create a more cohesive suite of easily accessible products ● Introduce a programme of support to help businesses adopt new technologies, building on Digital Growth Programme ● Bring forward the Midlands Nuclear Advanced Manufacturing Research Centre as part of the Derby Science and Innovation Campus on Infinity Park EZ ● Creation of an Industry 4.0 demonstrator, building on automated assembly demonstrator in Aerospace Technology Centre.

Theme 2 - SKILLS & KNOWLEDGE FOR THE FUTURE

Ambition, by 2030 we will;	...have a healthy, productive, well qualified and well rewarded workforce supported by world class education and training system, providing the skills needed by the new, more productive, economy. We will have eliminated our workforce skills deficit with the rest of the UK. Everyone in every community in D2N2 will have the opportunity to participate in the economy and equitably share the benefits of productive and clean economic growth. Using the dividends of greater prosperity, we will enjoy a rich and varied cultural and leisure offer. Our children will attend excellent schools, colleges and universities
Investment Priorities	(5) Future Workforce: Equip people of all ages (and particularly young people) with the skills and knowledge they need to make informed careers choices and to access jobs providing businesses with a stronger pool of talent.
	(6) Inclusive Workforce: Support those who are furthest away from the labour market to re-engage and move towards and into work; and those in work to move up the escalator to more productive, better-paid jobs of the future.
	(7) Planning for future skills needs: Build an intelligent, evidence-based local skills ecosystem that is capable of matching the skills of the population with the needs of business.
Innovation Investment Priorities	(8) Skilled and Productive Workforce: Enable businesses to find the talent they need, take advantage of the core specialist capabilities in the knowledge base and equip their workforce with the skills of the future.

Closing the gap between the skills of D2N2 people and the needs of D2N2 employers is essential if we are to achieve our vision of a productive, prosperous and inclusive economy.

This is our biggest challenge, given our starting position of a relatively low skills base and the difficulty in effecting change within the current skills system. Looking ahead to the next 10-15 years, slower growth in the working age population, potential loss of labour as a result of BREXIT, and significant technology-driven changes in the nature of work (and labour demand in some occupations), are likely to require increased adaptability and re-skilling by people who are already working; as well as maximising the potential of young people entering the labour market. Making this happen (across occupations and sectors) will be important both to social mobility and long-term productivity.

We need to drive up productivity in all sectors, so that jobs at all levels support progression and become better paid. While many jobs will disappear as result of automation, improved productivity will strengthen business competitiveness, stimulate growth and enable the economy to sustain high levels of employment. The key for success in D2N2 will be to enable our workers, at all age and skills levels, to progress and move up into the more productive, better paid jobs in the transformed local economy.

In delivering this we can't forget that we continue to face major challenges in ensuring all of our residents are able to benefit from the growth and opportunity being created. Despite unemployment being low, there are still communities and places where unemployment and economic inactivity remains high, with a growing number identified as having significant or multiple barriers to work.

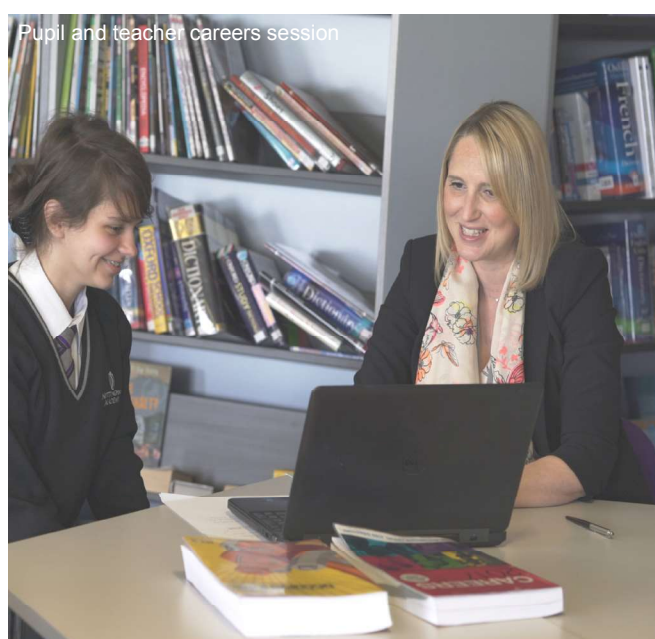
Current support for unemployed and economically inactive residents is disjointed, often short term and generic in nature. We need a more targeted approach that is integrated with local provision, is specific to the needs of individuals and also supports employers to grow and sustain a more diverse workforce.

This will require action around:

- **Future Workforce - Equipping people of all ages (and particularly young people) with the skills and knowledge they need to make informed career choices and to access jobs.**
- **Inclusive Workforce – Supporting individuals who are furthest away from the labour market to re-engage and move towards and into work.**
- **Skilled and Productive Workforce – Enabling businesses to find the talent they need and equip their workforce with the skills of the future.**

Planning for future skills needs - Building an intelligent, evidence-based local skills ecosystem capable of matching the skills of the population with the needs of business.

A solid foundation of employment and skills support has been put in place in the D2N2 area over the past 5 years, particularly around employability, and it's important to build on that. We now need to take our model to a new level, with skills and employment partners committed to playing their part in joined-up delivery and driving forward a long term, strategic approach.



Pupil and teacher careers session

Future Workforce - Connecting people to future opportunities.

Educational attainment at 16, identified by the CBI as a key driver of regional productivity, is an area of marked under-performance in some parts of the D2N2 area.

Poor attainment reduces the flow of higher skilled people into the market, and with marked under-performance in many parts of D2N2, we have too many young people not realising their potential.

Raising Attainment and Social Mobility

We will work with DfE to explore longer term options for enabling our schools to raise attainment levels, as new T-Levels are introduced; learning from the Derby Opportunity Area, a pilot project to broaden the horizons of young people struggling with social mobility.

Employer feedback highlights issues with 'work-readiness', employability skills and lack of awareness of job and careers opportunities (at all ages).

Poor or a lack of careers advice limits career aspirations, particularly for those living in areas of deprivation and who often don't have role models to aspire to.

Too few young people have meaningful experiences with employers. Research from the Education and Employers Taskforce shows young people who have four or more timely encounters with employers are 86% less likely to be NEET (Not in Education, Employment, or Training) and that they will earn up to 22% more during their career.

Raising Aspirations

Our immediate priority in working with young people is to work with businesses, schools and partners to raise the aspirations of the future workforce, by enhancing their careers advice and employability skills.

Our ambition is for all D2N2 area schools and colleges to be working towards the Gatsby Benchmarks for excellence in careers guidance; to embed the value of careers and employability skills within the education system, and to improve connectivity between our employers and their future workforce.

We have made a good start with 146 schools and colleges taking up funding through our ESF funded Careers Local programme to support employability activity. We want to build upon this through our future funding calls to target resources to continue to increase careers and employability support available to young people.

Our D2N2 Enterprise Advisor Network, co-funded by the Careers & Enterprise Company (CEC), currently supports engagement with employers but covers only 55% of secondary schools against a national CEC target of 100%; meaning not enough young people are accessing the support they need.

Our aim is to provide a universal offer to all schools and colleges to access Enterprise Advisor support through our partnership with the CEC; and to raise the importance of employability skills and linkages with local employers across all educational settings, including universities.

4

CAREERS INSPIRATION FOR OUR FUTURE WORKFORCE

Inspire young people to make well informed choices about their education, training and careers in the future economy; by delivering a programme of 'careers inspiration'; which sees all mainstream secondary schools and Further Education (FE) providers in the D2N2 area achieve all eight 'Gatsby Benchmarks'.

Although D2N2 attracts large numbers of university students from outside the area, we are not so successful in retaining them, despite the presence of world-class employers. This is partly a consequence of overall demand. To retain more graduates, we need to grow a larger stock of 'graduate jobs'; and the focus of this Plan, on creating a higher-value economy through increased productivity and so expanding the business stock, is

Initiatives by the universities to strengthen their students' local connections while they are here, and to involve them with local businesses –through placements, and in general to make them aware of employment opportunities in the local economy – will continue to be important in encouraging retention.

Alongside the upskilling of our existing workforce, it will be important that the D2N2 economy continues to attract and retain the best talent from elsewhere, adding to the pool of high-skilled labour in the area.

We need to address the current skills mismatch in D2N2 (particularly in relation to technical skills) and to plan for the skills required in the digital age and in a high-value economy. We need to recognise that the young people entering the global market over the next ten years are the first generation of 'digital natives'; people who have grown up with digital technology and who are comfortable using it for all manner of everyday tasks. It will be older workers who will need to adapt and re-skill, to remain competitive in the labour market. This new generation will also have a very different experience of work to their parents; with, it's anticipated, up to five careers, 17 jobs and 15 homes over a working lifetime.

Career Pathways

Expected changes as digitalisation in the labour market increases, and the reality that replacement demand outstrips new entrants into the market, means those already in the workforce will need the skills, resilience and guidance to make numerous changes during their working lives. We will work with partners to promote careers management support being available to people of all ages, both in and out of work



Education Secretary Damian Hinds MP visiting Nottinghamshire's Uniper Engineering Academy in March 2018.

HS2 and Skills

Implementation of the East Midlands HS2 Growth Strategy is predicted to create up to 74,000 more jobs above the current baseline projection, with the potential for this to rise to an additional 90,000, which will impact on the East Midlands labour market.

Responding to the impact of HS2 is not just about the skills requirements of building and operating a railway but ensuring the wider D2N2 economy has the right skills mix for the demands of the future, HS2 influenced, economy. With the 'eastern Lleg' of HS2 not due for completion until 2033, a key part of our skills work on HS2 will be, working alongside HS2 Ltd and the Careers & Enterprise Company, to engage effectively with local schools to inform the education and careers choices of young people.

HS2 Skills and Employability Strategic Framework

We will work with partners to lead the implementation of the HS2 Skills and Employability Strategic Framework in D2N2, with its focus on five key areas of activity:

- inspiring young people
- building further education capacity
- harnessing the power of our universities
- support for individuals
- ensuring our businesses are 'HS2 ready'.

Inclusive Workforce - Leading a shift in culture and narrative to enable prosperity for all

Although unemployment is at an all-time low, people in receipt of out of work benefits accounts for 12% of the D2N2 population; higher than national figures. Poor health in particular is a major barrier to employment in D2N2. With the numbers of young people joining the labour market reducing, it is increasingly important that those able to work have the skills and aspirations to enable them to do so.

Evidence suggests that generic employment support programmes are less effective for those experiencing more significant barriers to employment. We will seek to influence a shift in investment towards more targeted and intensive services that meet the needs of both individuals and employers.

We will build on our learning to improve availability of integrated pathways toward employment for specific groups, which links with locally delivered support for more complex barriers they may face.

Conversely, job seekers find it complex and difficult to navigate the huge amount of employment support available. One of the goals of D2N2 is to try to simplify the journey; making clearer pathways for inclusion and progression, and ultimately providing a more direct route into work.

Employers are vital to ensuring shared prosperity and opportunity. Our ambition is to engage employers in a win:win inclusion scenario, where disadvantaged people benefit from economic opportunities and employers address their skills and workforce challenges. We will directly support employers to make the changes needed whilst creating a local narrative which encourages, supports and values the skills and contribution of everyone to our local economy.

A range of local programmes are in place to support employment and skills in D2N2, most of them providing support to those who face the biggest challenges in securing employment. We need to learn from their evaluation and build on those that have the greatest impact.

Many people across the D2N2 area have no qualifications. For many this will potentially mean limited opportunities for future employment. We will work to engage more people in learning and ensure basic skills needs are met.

We know the relationship between health and economic prosperity is complex but it is clear. Public Health England identifies that poor health reduces productivity, whereas good health contributes to high productivity and successful enterprises. We also know that 'good work' is good for physical and mental health, and poor working conditions can lead to ill health.

5

INCLUSION & PROGRESSION IN THE LABOUR MARKET

Deliver joined-up targeted support to get people who are seeking employment – but who have multiple, complex or deep barriers to getting a job – into sustainable employment. Support individuals' career progression through raising their skills levels, to meet changing requirements of business.

Skilled and Productive Workforce - Supplying the skills for a successful D2N2 economy

The growth of digitalisation and automation will see not just change the way in which jobs are delivered, but also the demand for particular occupations. Jobs growth will be in higher skilled occupations, with those requiring low skill levels most at risk.

Employers across D2N2 are reporting difficulties in recruiting at all levels with certain sectors such as health and social care, and technical and digital sectors, struggling most. The situation is expected to worsen as a result of Brexit.

Business leadership and management are recognised as important drivers of productivity and this will be a key element of our business support portfolio. There is a need to substantially improve business access to skills support, and to support business productivity improvements; ensuring these are delivered as an integral part of the Growth Hub service, based on the needs of individual businesses.

6

SKILLS AND LEADERSHIP FOR PRODUCTIVITY GROWTH

Support businesses in accessing the skilled people they need to improve their productivity; through a stronger D2N2 Growth Hub, enhanced leadership and management skills, the skills to adapt to digitalisation in the workplace, better engagement with the knowledge and assets in our higher and further education institutions, and increased take up of apprenticeships (particularly at higher and graduate levels).

With skills levels in the D2N2 area below the national average, we need to create a culture of lifelong learning; encouraging individuals to continue learning throughout their working career, and businesses to lead in taking a proactive approach and in looking ahead to define current and future skills needs to create a responsive and strategic skills ecosystem.

This Plan will support businesses to implement higher value processes and new technologies to drive up productivity. This will in turn drive demand for higher level skills and promote graduate retention. We will need to increase the skills and adaptability of the workforce; in particular where the existing workforce is at risk of being negatively impacted by technological advances, as existing jobs change.

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Support for re-skilling (particularly in relation to advanced digital skills) is highlighted as a priority within the Industrial Strategy, through the introduction of the National Retraining Scheme, and within the proposals contained within the Made Smarter industrial digitalisation review. We will seek to ensure that existing workers and employers are supported to adapt to new technologies, processes and working practices and employers have ready access to the skills support that they need.

Skills and the Growth Hub

We will target existing and future resources to ensure there is a clearly understood skills offer as part of the Growth Hub service; one which simplifies the skills system and supports employers to target investment at workforce development needs.

Where we have specific sector skills challenges, such as digital skills, we will target resources and activity to develop specific interventions. We will also ensure there is a robust skills element to all of our sector productivity and growth plans.

2c

PRODUCTIVITY FOCUS FOR THE GROWTH HUB

Strengthen the D2N2 Growth Hub to provide a single point where employers can access employment, and skills information and support.

Apprenticeships can play a crucial role in driving up productivity. While take up has dipped both nationally and locally, we need to do more to encourage businesses to consider taking on apprentices into their workforce. Our aim will be to unlock the potential to support local businesses through the Apprenticeship Levy.

It will be important to understand the scope of the new National Retraining Scheme before introducing any new local provision, but there is an opportunity to build on the D2N2 Skills programme for workforce development.

Planning for future skills needs - Building the structure to drive a dynamic skills ecosystem

Achieving the ambitions of this strategy for people, skills and business in the D2N2 area requires a robust and informed governance, engagement and delivery system which drives progress through:

- data and LMI (Labour Market Information) analysis,
- active engagement of all stakeholders,
- influencing use of and leveraging in investment,
- sharing success and learning,
- lobbying and shaping future policy at all levels.

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A Dynamic Skills System

In order to bring together the supply and demand for skills, we will work with partners to promote: access to high-quality labour market information; effective employer engagement in order to respond to specific short-term needs and ensure educational courses meet longer-term needs; skills providers' commitment to offering a mix of qualifications which align with local labour market demands; careers advice enabling young people and adults to make the best career and training decisions in order to access the labour market, and progress.

It will be important to understand the scope of the new National Retraining Scheme before introducing any new local provision, but there is an opportunity to build on the D2N2 Skills programme for workforce development.

We also need to develop the capacity of the skills partnership within D2N2 to oversee and effect change, building on the work of the D2N2 Skills Commission. The Industrial Strategy signalled the establishment of LEP Skills Advisory Panels to bring skills providers and employers together, to determine local growth priorities and analyse future supply and demand. These panels are to have a "real and meaningful influence" over post-16 education and training.

The SEP identifies a number of sectors which are crucial to the future growth of the D2N2 economy. In addition, we will ensure a continual eye to the future, so we are able to respond swiftly to emerging markets and trends; maximising new opportunities for D2N2 such as HS2. We will work with our partners to ensure that the skills system is offering the right provision to meet the future growth needs of our economy.

Conversely we will seek to influence the supply of skills and the skills ecosystem which includes schools, Further Education, Higher Education, Adult and Community Learning, and private and voluntary providers, by facilitating greater collaboration with employers, to meet their skills needs.

We will work with Government to establish the D2N2 Skills Advisory Panel, taking on this more substantive role; and giving us the potential to create a single, more strategic and integrated post-16 skills offer by devolving post-16 skills funding. In the meantime we will work with local skills providers and national skills bodies to influence future local provision.



Priorities	Actions
5) Future Workforce	<ul style="list-style-type: none"> ● Influence provision of a co-ordinated, all age careers offer informed by labour market intelligence. ● Ensure all mainstream secondary schools and FE providers in D2N2 have access to the support required to achieve against all eight Gatsby Benchmarks. ● Work collaboratively to investigate and secure the use of ESF or other funding streams to further grow the CEC network; to support roll out of employability support, careers guidance and the Gatsby Benchmarks to those outside mainstream school /FE e.g: SEND learners, returners to education, graduates and the home-educated. ● Continue to seek to co-commission new careers-related activity funded through central government, particularly via CEC, informed by local knowledge of the labour market and current levels of provision. ● Extend careers work into primary schools, linking to initiatives such as the HS2 careers programme. ● Develop skills pathways and other support materials to enable careers decisions and upskilling. ● Learn from the Derby Opportunity Area and explore scope for expanding its approach, and applying the learning where it demonstrates success. ● Work alongside our HE establishments, employers and supporting partners (for example, the Derbyshire and Nottinghamshire Collaborative Outreach Project or DANCOP) to promote HE as a viable option, with a view to creating a 'grow our own' culture of graduates within our local economy. ● Work alongside local and national stakeholders in the development of T-Levels to ensure successful roll-out across the D2N2 area.
6) Inclusive Workforce	<ul style="list-style-type: none"> ● Continue to develop our relationships with those services who support individuals with barriers to employment (e.g. Public Health), and develop an integrated and joined up offer of support for those individuals who want and wish to seek employment. ● Utilise ESF to commission activity which targets specific groups and provides coherent pathways towards work and tailored to local areas as needed, valuing user-led input wherever possible. ● Work alongside Local Authorities to identify those young people who are or are at risk of becoming NEET, and commission and co-ordinate programmes to move them into education, employment and training; with particular focus on those from vulnerable groups. ● Invest in a Community Grants programme to work with local community providers; to ensure specialist support is available at community level for individuals with varied and complex need, across and outside of other provision. ● Support the development of an all age careers service and ensure it is promoted and accessible to people outside mainstream provision. ● Support employers to engage with and value inclusivity and adapt their HR practices to enable this. ● Work specifically with partners (e.g. DWP Disability Confident, Fuller Working Lives and Timewise) and the Growth Hub to engage employers, and provide practical advice and support as to how they can recruit and retain individuals with health related conditions or other barriers to employment. ● We will harness the learning from existing employment programmes and ensure a co-ordinated approach to maximising impact of future funding opportunities (e.g. ESF, Shared Prosperity Fund).

Priorities	Actions
7) Planning for Future Skills Needs	<ul style="list-style-type: none"> ● Develop new D2N2 People and Skills governance, building on the existing D2N2 Skills Commission; providing local strategic leadership to ensure that future skills provision meets demand and acting as the voice to Government on local skills needs. This will be underpinned by a reinvigorated skills partnership involving FE colleges, universities, schools and employers; tasked with identifying future skills needs and joining up the local skills ecosystem. ● Ensure the local skills ecosystem supports our skills-matching ambition, through: <ul style="list-style-type: none"> ● An effective and efficient approach to collecting, analysing and utilising accurate data on the labour market to underpin investment decisions and the development of our Local Industrial Strategy. ● Engaging employers to understand the D2N2 economies skills shortages and skills gaps, and which sectors and occupations are impacted most heavily. Engaging with our FE/HE partners to ensure current and future provision meets the economic needs of our area. ● Shaping provision of readily accessible careers advice for people of all ages; reflecting identified local skills needs and supporting a shift in demand, and tracking its impact. ● Understanding careers pathways for people to progress through upskilling. 'Horizon scanning' to ensure we can maximise future opportunities such as HS2, Midlands Engine and the Shared Prosperity Fund. ● Identifying and leveraging future funding such as the Shared Prosperity Fund, devolved AEB and NCS, Midlands Engine and HS2 opportunities, and lobbying for devolved skills funding and greater local control.
8) Skilled and Productive Workforce	<ul style="list-style-type: none"> ● Continue to commission ESF provision to meet local needs and opportunities. ● Develop a D2N2 Apprenticeship Growth Plan that will work towards ensuring: <ul style="list-style-type: none"> ● Effective use of the Levy within our area. ● Promotion of apprenticeships (at all levels) to employers ● Promotion of apprenticeships (at all levels) to residents. ● Work with the East Midlands Apprenticeship Ambassador Network (EMAAN) and other partners to raise awareness and take up of apprenticeships, particularly at higher and graduate levels, through use of LMI and collaborative approaches with employers, the Growth Hub and local HE institutions. ● Roll out programme to support for SMEs across sectors to enable their workforce to acquire the skills to adapt to digitalisation of the workplace. ● Maximise D2N2 benefit from Midlands Skills Challenge Fund. ● Work with D2N2 Growth Hub to develop a single point where employers can access employment and skills information, and support to meet needs. ● Promote and support lifelong learning; working with stakeholders and delivery bodies to maximise opportunities across the area. ● Ensure drivers of productivity (leadership and management, and digitalisation skills) are available and promoted to employers, with a focus on increasing productivity.

Theme 3 - Quality of Place

Ambition, by 2030 we will;	...travel efficiently, reliably, healthily and quickly to work and for leisure, taking advantage of excellent infrastructure and connectivity. We will be served by an airport with regular connections to key business destinations across the world, have the infrastructure and connections in place to exploit the unique possibilities of High Speed Rail and enjoy the benefits of full fibre broadband connectivity to every business and domestic address. Full 5G coverage will enable new forms of efficient transportation, including the use of increasingly connected and autonomous vehicles. We will enjoy a high quality natural and cultural environment with transformed high streets offering an attractive mix of retail, leisure and residential experiences. We will live in affordable and efficient homes in safe, healthy, inclusive and sustainable communities in vibrant cities, towns and villages.
Investment Priorities	(9) Infrastructure: Promote investment in our physical infrastructure to create a competitive advantage, support business & housing growth ambitions and enhance our natural environment.
	(10) High Speed 2 Growth: Exploit the transformational potential of HS2 to stimulate productive growth across D2N2.
	(11) Place Making & Marketing: Empower communities across D2N2 as great places to live, work, study and visit; and undertake compelling place-marketing in order to attract inward investment and talent to the area, and to drive up visitor spend.
Innovation Investment Priorities	(12) Connectivity: Strengthen our strong transport and digital connectivity to business and labour markets, enabling businesses and people to travel and communicate quickly and easily, and unlocking opportunities for growth. Explore innovative solutions to our mobility and connectivity challenges.

The Best Business Location in Britain

Our location and the distinctive characteristics of the places which make up D2N2 are what make us unique. Overall quality of the place is fundamental to businesses' decisions to continue to invest or to relocate here. Our 'Deep Dive' review of productivity has highlighted the need for, amongst other factors, an enhanced infrastructure and market access for firms to help drive productivity growth.

Our position at the 'bridge' between the Midlands Engine and the Northern Powerhouse – and the once-in-a-generation, transformational potential of having the East Midlands HS2 hub at the heart of D2N2 – are opportunities we will exploit.

We have a complex economic geography, with distinctive assets and challenges. It encompasses the largely urban south, producing a significant proportion of the area's employment and GVA; the northern conurbations straddling the M1,

comprising towns which have had to manage the transition from industries that have declined or disappeared; and the mainly rural east and west, both with important regional centres and outstanding environmental assets. All parts of the area on D2N2's borders are part of wider economic geographies extending into other LEP areas. There are significant disparities in economic fortunes across the area and within places.

In supporting and enhancing D2N2's 'quality of place', as a great location to live, work and invest – the roles of local authorities as 'place makers', with statutory housing, planning and transport roles, will be fundamental to effective partnership working.

Collaboration within and beyond the area will be key to effective approaches to enhancing the quality of place in D2N2.

Active Collaboration to Enhance our Places.

This Plan and its approach to delivery recognises our area's distinct spatial characteristics. D2N2 will support the development of delivery plans at local level for our cities, counties and districts; and collaboration between them on areas of shared interests such as leveraging the complementary strengths of our cities through the Metro Strategy, or developing approaches to our market towns and rural areas to take advantages of synergies and scale. D2N2 will only succeed if all places within our area thrive, and we will continue to support active collaboration between places and partners within and beyond our borders to help bring this about; particularly working across the East Midlands region, and through Midlands Engine and Midlands Connect.

We will work with partners to promote comprehensive and planned approaches to high value developments on key sites, including supporting the recently announced Development Corporation to drive growth at Toton, East Midlands Airport and development at the Ratcliffe-on-Soar power station site.

Infrastructure for a Productive Economy

There has been good progress in unlocking investment in strategic sites and infrastructure over the past three years, though Local Growth Fund investment of some £250m – notably Infinity Park in Derby and MediCity in Nottingham, both in the Nottingham & Derby Enterprise Zone. We will build on this momentum, accelerating development on our Enterprise Zone and reinvesting the income in growth opportunities.

D2N2 Infrastructure Plan

We will bring forward a cohesive Infrastructure Plan containing a ten year programme to enable and accelerate investment (physical and digital), to support our ambitions for new business productivity and sustainable communities across D2N2.

We will identify the key infrastructure and locational requirements to strengthen our core innovation sector specialisms – e.g. Advanced Manufacturing in Derby, Life Sciences in Nottingham, and Logistics around East Midlands Airport and the Gateway Freight Terminal. We will support the implementation of the East Midlands Manufacturing Zone in North Derbyshire.

We will work with partners to bring forward a competitive offer of high quality business premises and land to support the formation and growth of high value industries across the D2N2 area, supporting appropriate growth in rural areas and towns, as well as sustaining our cities as economic power-houses. This includes an escalator of accommodation from incubation and start-up premises, to high quality office space and manufacturing units in locations, with excellent transport connections.

7

WORLD CLASS INFRASTRUCTURE AND CONNECTIVITY

Secure investment to deliver the infrastructure necessary to achieve world class connectivity – and the provision of high quality sites, premises and homes – to create prosperous places across the D2N2 LEP area.

Aerial shot of official opening of Infinity Park Derby, in July 2016



Enterprise Zone

The Nottingham & Derby Enterprise Zone comprises three sites in Nottingham – the Alliance Boots Campus, the Beeston Business Park and Nottingham Science Park – and Infinity Park in Derby. Each site has a key role in supporting the implementation of the SEP, by providing employment space for the growth of productive firms and access to innovation support. The Alliance Boots site consists of 113 hectares and the vision is to create a UK centre for innovation in health beauty and wellness in Nottingham. Infinity Park Derby will be home to a Science and Innovation Campus, with specific support for advanced manufacturing. The Markham Vale Enterprise Zone, near Bolsover, has attracted a number of employers contributing to local growth. Although it is a Sheffield City Region designated Enterprise Zone, D2N2 has invested here, alongside Sheffield City Region LEP, to realise its benefits.

Bringing forward the benefits of our Enterprise Zone sites will continue to be a priority for investment.

Delivering Growth on our Enterprise Zone Sites.

We will support the development of the D2N2 Enterprise Zone sites, generating income for re-investment against our economic priorities.

Enhancing our excellent transport and digital connectivity

Enhancing our excellent transport and digital connectivity.

D2N2's central location enables us to draw from wide labour markets and supply chains. However, while our transport connectivity is good in parts, and will be significantly enhanced when HS2 is operational, it is not as good as it should be; either strategically (e.g. to the West Midlands and North West) or locally. Having good connectivity to enable easy access to and communications with labour, customers and suppliers is identified by the CBI as one of the key drivers of productivity. Enhancements to shorter distance commuting infrastructure will remain important alongside strategic enhancements to regional, national and international links.

We will continue to work with partners in Midlands Connect to progress the medium-term strategic investments to improve transport connectivity across the Midlands, with the aim of supporting the

Midlands, with the aim of supporting the productivity goals of the Midlands Engine strategy; making the most of the assets and opportunities we share with our neighbours. Priorities include improvements from Nottingham and Derby, to Mansfield, Chesterfield and Sheffield, and along the A46 Corridor. The Midlands Connect strategy identifies Derby and Nottingham as a joint 'strategic economic hub', with scope for improved connectivity between them. We will also work with Transport for the North, given the importance of the strong connectivity north and west for the north of the D2N2 area.

Delivering Planned Transport Improvements

We will work with partners to deliver existing plans for improvements in D2N2's major road and rail networks, including measures to alleviate congestion to meet existing demand and to support ambitions for growth, including:

- congestion management A52 at Pride Park
- Southern Growth Corridor in Nottingham
- Gedling Access Road
- A61 corridor improvements, including Whittington
- Moor roundabout in Chesterfield A614 Corridor Improvements
- Newark Southern Link Road
- Woodville-Swadlincote link road
- Midland Mainline
- improvements to Trent Junction and East Coast mainline
- Castle Line service enhancements
- Robin Hood Line extension.

The A46 cuts across the East and West Midlands, from the Severn to the Humber, and is a regional priority to unlock major housing and economic development. In the north part of the D2N2 area, the A628 provides a key Trans-Pennine link between Manchester and Sheffield.

A46 Corridor and Newark

D2N2 will work with TfEM and Midlands Connect to progress significant investment into transport infrastructure near Newark. A Midlands Connect Strategic Study will establish how improvements in key areas could support job growth and housing, and relieve congestion across the whole corridor. With Midlands Connect we will seek funding for an upgrade to the A46 around Newark for completion by 2025, removing a major bottleneck on the road network and helping to facilitate major housing and employment development within the town. The A46 improvement is closely linked to the complex rail infrastructure in Newark. Major investment is needed to reduce conflicts between fast East Coast Main Line and slower Lincoln-Nottingham traffic.

There is scope to significantly further improve access to East Midlands Airport, particularly by public transport. In the short term, there are plans to improve rail services to East Midlands Parkway Station, combined with better bus links between the station and the airport. Over the longer term, there is potential to develop an innovative and transformational public transport link to the East Midlands Hub Station at Toton.

Transformational Potential of HS2

The East Midlands HS2 Growth Strategy sets out a vision for how HS2 connectivity and assets will deliver some £4bn GVA in the region over the next 25 years, creating:

- job opportunities
- inward investment
- housing growth
- more trains & quicker journey times to key destinations
- better local transport connections

and enhancing towns and cities across the region. The two regional 'HS2 growth zones' are both in D2N2. D2N2 will work with partners to support the Housing Infrastructure Fund investment in infrastructure, to sustainably manage housing growth arising from HS2 through a network of Garden Villages.

The East Midlands Hub Growth Zone contains the HS2 Hub Station at Toton in Nottinghamshire, which will be the best connected station on the high speed network outside London.

The recently announced Development Corporation for the East Midlands (through the Midlands Engine initiative) brings a once-in-a-generation opportunity to drive growth across LEP areas, with D2N2 at its heart. The HS2 Hub Station at Toton sits at the epicentre of a nationally significant network of development. To capitalise on this opportunity, we will work with partners to create the 'Toton Innovation Campus'; which will bring the region's world leading businesses, universities and research institutions together. The Campus – capable of delivering up to 11,000 high-quality jobs, 5,000 homes and a range of leisure opportunities – will deliver a truly transformational development, offering a substantial return to the UK economy.

International Connectivity

East Midlands Airport is a major international gateway and economic asset, generating £268million of GVA. It transports over 4.2million passengers per year to more than 90 destinations. It is second only to Heathrow for flown cargo, handling more than 320,000 tonnes of cargo per year. The airport's plans to expand will be key to enhancing D2N2 and the wider East Midlands as a business location. Currently, the airport plans to more than double passenger numbers to ten million per year and almost treble the amount of freight to a million tonnes by around 2030 to 2035, potentially creating an additional 7,000 jobs on site. Together with significant employment creation at Segro Logistics Park / East Midlands Gateway Freight Interchange, the development of the airport will increase transport movements in the area. The Gateway development has secured a comprehensive package of strategic and local highway improvements, which will address existing congestion issues as well as future growth; although dealing with wider pressures on the M1 corridor will still require a long-term strategic solution.

Access to airports in other regions remains crucial for businesses and residents in some parts of D2N2. Manchester Airport is the third busiest UK airport, carrying 27m passengers a year, and has a key relationship with parts of the north of D2N2. It has recently benefited from improved access as a result of the A6 airport link road.

A Step Change in City and Airport Connectivity

D2N2 LEP will work with partners to support the implementation of ambitious improvements for transport connectivity between the cities of Nottingham and Derby, and between the two cities and East Midlands Airport.

In addition to Toton's Innovation Campus and network of garden villages, there are exciting linked developments at:

Ratcliffe-on-Soar power station in Nottinghamshire – Decommissioning of a major coal-fired power station offers extensive development opportunities and innovations in energy supply.

East Midlands Airport in Leicestershire –It has ambitious plans to triple its cargo operation to a million tonnes a year by 2040, generating 11,000 new jobs and economic growth across the region.

It will be important to link the Toton Hub station into national, regional and local transport networks. This will relieve existing congestion, spread the benefits of HS2 to towns and cities across the D2N2 area; as well as linking to East Midlands Airport, the planned rail freight interchange nearby, and other strategic development sites. The locally led development corporation will release significant added value, greater certainty of delivery, and real benefits for communities and businesses in the region.

The HS2 infrastructure maintenance depot planned for Staveley, and the ability to serve Chesterfield with high speed trains, will have a transformational impact on the Derbyshire economy. The Northern Derbyshire Growth Zone is centred around the station in Chesterfield and the planned Staveley depot, enhancing Chesterfield's role as a gateway to the Peak District and accelerating the regeneration of the Staveley corridor and key surrounding sites. We will work with local partners to deliver the Northern Growth Zone and to promote effective access to the HS2 Western leg, where appropriate.

Accelerating the benefits of HS2

While the HS2 line is not scheduled to be opened until after the period of this Plan, we will work with partners to accelerate the detailed planning now in order to realise the full potential of the opportunity through an agreed programme of works, to implement the East Midlands HS2 Growth Strategy.

8

HS2 – CONNECTIVITY, SUPPLY CHAIN, SKILLS AND PEOPLE

Key Action 8: HS2 – Connectivity, supply chain, skills and people Implement the bold yet pragmatic vision for economic growth: HS2 Growth Strategy report, by working with partners on an agreed programme of activity; including enhanced business support, capital investment in infrastructure, and long terms skills and careers action.

Enhanced Rail Connectivity

Rail connectivity is a key element of sustainable transport networks, which can support economic growth. We will work with Transport for the East Midlands (TfEM) and Midlands Connect to promote strategic investment in rail infrastructure to enhance, local, national and international connectivity in addition to the implementation of HS2. The D2N2 Infrastructure Strategy will identify a programme of investments.

Key priorities will include;

Main lines Fit For the 21st Century

The long-term transformation of HS2 must go hand-in-hand with investment in the Midland Main Line (MML). D2N2 will work with TfEM and Midlands Connect to promote electrification, line-speed improvements, enhancements to rolling stock and services, and increased freight capacity. We will work with partners to promote service improvements on the East Coast Main Line.

We will also work with partners at Midlands Connect and TfEM to secure a link between HS2 and the Midland Main Line which is operational for the start of HS2, allowing HS2 classic compatible trains to link the East Midlands with Northern Powerhouse Rail.

Midlands Rail Hub

The Midlands Rail Hub is Midlands Connect's flagship plan to future-proof the Midlands' rail network for generations to come. D2N2 will support Midlands Connect to secure the necessary resources to implement the Hub's plans, to enhance rail connectivity between the East and West Midlands. Planned improvements will allow 1.6million more people in the Midlands to reach its biggest towns and cities within an hour, bringing east and west closer together. The Rail Hub will support an extra £649million of economic growth and investment annually, by enabling faster and more frequent journeys across the Midlands, and spreading easy access to HS2 services. The Rail Hub can achieve 24 extra trains every hour, 12 in each direction, doubling the number of services and significantly improving journey times. Linking the Midlands' primary economic centres and international gateways with regular direct services will transform east-west connectivity, supporting the growth of more than 100,000 planned new jobs.

The Rail Hub would create space for an extra 36 freight paths a day, carrying £22billion worth of goods every year;and provide for two extra trains per hour between Birmingham and Derby and Birmingham and Nottingham, and an extra train between Lincoln and Nottingham.

Excellent Local Rail Services

Improvements to local rail connectivity and services give employers access to a larger workforce and communities better access to employment opportunities. The creation of new, or opening up of closed, lines with new stations and terminals can unlock areas for new housing growth, improve accessibility for existing settlements and create opportunities for business that can make use of rail. D2N2, working with Greater Lincolnshire LEP has invested funds to enhance services on the Castle Line and will consider further rail investments to promote long term productivity and inclusive growth. D2N2 will continue to work with local partners to develop plans to extend the successful Robin Hood Line, to serve communities in Nottinghamshire affected by recent colliery closures. We will further work with partners to promote investment in Trent Junction, which remains key to capacity and service improvements across the East Midlands.

D2N2 will set out its local rail investment priorities in its long term Infrastructure Plan.

Digital Connectivity

Digital Derbyshire and Better Broadband for Nottinghamshire have now promoted access to superfast broadband to over 92% of premises, and plan to achieve 98% coverage by the end of 2018. It will be important to be proactive in planning for the introduction of the next generation digital connectivity to ensure that we are able to stay ahead of the game.

Currently, BT plans to implement full fibre connectivity to every business and residential premise in the UK by 2030. However, this will not be implemented everywhere at the same time.

Enhanced Digital Connectivity

D2N2 and partners will work together to promote a coherent approach to exploiting 5G connectivity to secure Government investment, and work to accelerate the roll-out of fibre connectivity, to ensure the D2N2 area remains a productive and competitive business location.

The promise of 5G connectivity is that it will revolutionise wireless digital connectivity in the D2N2 area, and support the roll-out of incrementally more connected and autonomous vehicles, in which D2N2 has research capability, and transport management systems. D2N2 will work with partners to secure funding for 5G roll-out at the earliest opportunity.

Housing

Since 2011, D2N2's dwelling stock has increased by 2.6%, compared to 3.3% for the UK as a whole. The ratio of median house price to median annual salary is increasing but is slightly below pre-recession levels, and significantly lower than England's average. Almost all of the dwelling stock increase in recent years has been outside the two cities.

In England as a whole 2017/18 represented a ten year high in house building completions, a trend mirrored in D2N2, where there were an additional 8,308 dwellings completed in 2017/18. This exceeds our estimated local housing need of 7,589 dwellings. Local authorities have key statutory housing and planning roles, not only affecting local housing supply but the overall quality of places within D2N2. In consultation, local authorities within the D2N2 area were positive about working together to help deliver planned housing growth, creating sustainable and economically dynamic communities. To date there has been positive collective working between public bodies on the One Public Estate programme, which has provided a framework to bring partners together and to share resources

We will support partnership working with local authorities, the development community and Homes England to accelerate the completion of new housing to support D2N2's growth ambitions and to deliver against Government targets; ensuring this is supported by green infrastructure and multi-modal solutions, to encourage sustainable travel and mitigate the effects of additional travel in our faster-growing areas. The D2N2 Infrastructure Plan will identify infrastructure constraints in bringing forward key housing sites.

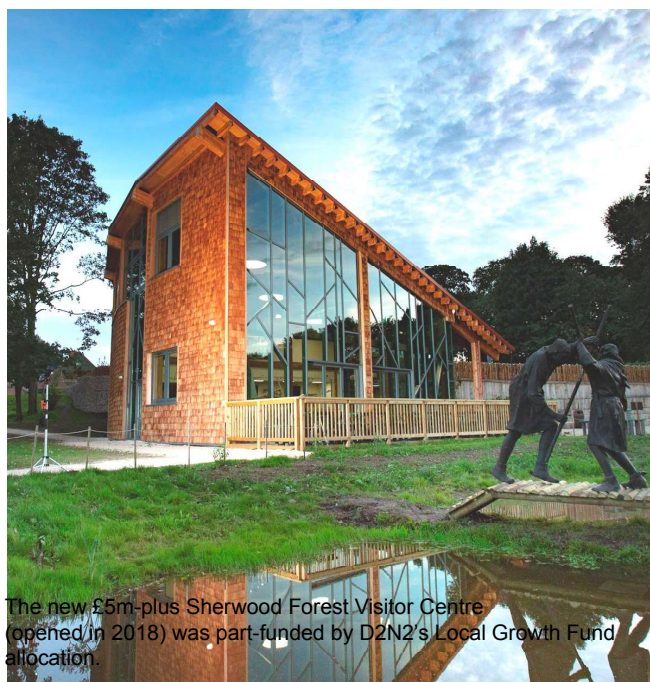
Housing will be a key relationship with our 'opportunity' construction sector. To build the homes of the future we need to have the right skills and expertise in place. The requirements of our future homes are likely to impact on the use of energy efficient technologies such as heat pumps for off-grid homes, offsite manufacturing techniques and installation of vehicle charging points, grey water recycling and consideration of district heating opportunities on new developments.

There are emerging constraints in rising materials costs and limited construction labour availability (which could increase post-Brexit), as well as challenges associated with viability and infrastructure gaps. However, D2N2 has emerging strengths in modern methods of construction (MMC) including expertise in Nottingham Trent University and Laing O'Rourke's Explore Manufacturing facility near Worksop. D2N2 will seek to support the growth of our capability to explore the growth in utilisation of MMC techniques.

In addition to housing's role in supporting growth in the wider economy, there is considerable economic benefit to be gained from investment in housing development. Every £1 invested in house building generates £2.84 of economic activity. It is important that local construction companies are able to access procurement and development opportunities. There are also benefits in the form of levered private sector investment in infrastructure, and investment in skills in the form of construction training or apprenticeships. Delivering housing on mixed-used sites is often the key to enabling new employment development. We will continue to work with developers and the construction sector to realise these additional opportunities.

Housing

We will work in partnership with local authorities, Homes England, developers and the construction industry to help local housing authorities deliver their ambitious targets for growth. This will include supporting partners' collective efforts towards the One Public Estate objectives, and supporting promotion of Modern Methods of Construction across D2N2 as a means of accelerating housing delivery.



The new £5m-plus Sherwood Forest Visitor Centre (opened in 2018) was part-funded by D2N2's Local Growth Fund allocation.

Place Making and Marketing

We will empower communities across D2N2 as great places to live, work and visit, and reflecting distinctive local capabilities and needs; with all parts of the area playing their part in contributing to the vision, and maximising the benefit from, its realisation.

There's an opportunity to make more of the potential economic added value of strengthening connections between places within D2N2, and with neighbouring economies through alliances. This is already in place in Ashfield and Mansfield, where there is a joint plan for the growth of the conurbation. Derby and Nottingham are two cities in close proximity, but with distinctive and complementary strengths which are not currently being fully exploited. The Metro Strategy is seeking to make more of the benefits of agglomeration (e.g. through integrated supply chains, labour markets and transport connections) that a metropolitan area of the two cities' combined scale should be realising.

Sustaining the Quality and Vitality of our Built and Natural Environment...

Our outstanding natural environment is a major strength and differentiator. Our natural capital and rural assets are fundamental to D2N2's economic wellbeing; providing ecosystems services such as drinking water supply, carbon sequestration, food and fibre and flood protection, as well making a significant contribution to quality of life and tourism. Our natural capital is an economic asset rather than a constraint; with iconic landscapes such as the Peak District National Park, the National Forest, Sherwood Forest and an ambitious landscape-based regeneration plan in the Trent Valley Vision.

D2N2 will continue to promote a high quality built environment as part of enhancing the quality of place within the area. Maximising our green spaces and considering their inclusion in future developments, as well as effective methods of using waste products such as food waste and plastics, will help sustain the quality of our environment.

D2N2 will continue to support partners to develop approaches to conserving, enhancing and promoting for economic use our large range of high quality heritage assets; including industrial ones such as the Derwent Valley Mills World Heritage Site.

Cycling

The D2N2 LEP has invested in cycling infrastructure to promote sustainable access to key employment sites, enhanced visitor experiences, and high quality leisure and recreation opportunities, in urban and rural environments. D2N2 LEP will continue to promote investment in cycling infrastructure, to support our vision of a sustainable and healthy economy.

Revitalised High Streets in our Towns and Cities

The 'high streets' of our cities and towns have changed over the last five years due to what the Grimsey Review described as 'dramatic changes... brought about by the convergence of changing consumer behaviour driven by technology, an archaic business rates system and the prevailing economic conditions'. The weaker pound since the 'Brexit vote' has further impacted on retail. D2N2 will support the development of the visitor and experience, and creative and digital, economies; supporting innovation and skills development, and pursuing new sources of capital funding to support investments to promote town and city centres' economic vitality. .

Investing in our Places

We will work with partners to secure investment to support the vitality of our cities and towns, and enhance our iconic rural landscapes as leisure and visitor destinations; including piloting new approaches to regeneration as the roles of our cities, towns and rural areas continues to evolve.

Energy

D2N2 has a legacy of power generation and has three of the remaining seven coal-fired power stations in the UK; all due to close by 2025, with implications for the local economy and business rate revenues collected by local authorities.

As referenced in the 'Productive and Growing Businesses' theme of the SEP, D2N2 will work with partners on a detailed Energy Strategy to capitalise on our existing energy, low carbon and clean growth assets; and unlock decarbonisation related growth opportunities. It will include location-specific opportunities for use of innovative heat source technologies (rivers, canals and mine water); and opportunities for the coal-fired power stations earmarked for closure to be repurposed for other energy generation and storage technologies

New Futures for Coal-Fired Power Station Sites

D2N2 will work with partners and power companies to identify economically sustainable future uses for the former power station sites, and to retain the economically viable skills of the current workforce. D2N2 will look to work with partners to maximise the economic impact of our energy and low carbon assets.

Air Quality and Flood Protection

D2N2 will work with local partners to improve local air quality; not only to improve the quality of life for residents and workers, but also to enhance the attractiveness of D2N2 as location for business investment. This strategy will support the delivery of the national Clean Growth Strategy.

Infrastructure to Promote Resilience

D2N2 will continue to work with partners to promote the economic resilience of key business locations by promoting access to funding for enhanced flood protection; such as through the Our City Our River project and Project Munio on the Lower Derwent in Derby.

Place Marketing

Place marketing has an important role to play in attracting inward investment, talent and visitors to the area. In a highly-competitive global market we need to undertake compelling place marketing, recognising that there are distinct markets requiring different approaches. There is an opportunity to build on existing joint marketing by D2N2 investment agencies, working with the Midlands Engine and DIT; and to exploit international opportunities through Midlands Engine, and existing business and university connections.

Promoting Business Investment and Visitor Spend

D2N2 LEP will continue to work with partners to promote locations within its area for business investment and to increase visitor spend.

There have been about 100 inward investment 'successes' in D2N2 over the past three years (i.e. overseas companies locating to or expanding in the area, including through acquisitions), creating some 9,500 new jobs. While the number of successes has remained steady over this period job numbers have dropped off; from about 4,500 in 2015/16 to 1,600 in 2017/18. Over the period, more than 40% of the successes were from elsewhere in Europe and about 20% each from the US and Asia.

As detailed in the Productive and Growing Business section, the Visitor Economy continues to be important to D2N2 and offers the opportunity to raise its productivity through higher value visits, which will require investment in visitor products and facilities as well as effective marketing approaches.

Priorities	Actions
9. High Speed 2 Growth Exploit the transformational potential of HS2 to stimulate growth across D2N2	<ul style="list-style-type: none"> ● Work with partners through an agreed programme of works to implement the East Midlands HS2 Growth Strategy, bringing forward major innovation-focused development at Toton and elsewhere; and maximising the connectivity benefits of HS2 development at Toton and Staveley by providing effective links to the station sites from across the D2N2 area, including via enhanced tram provision and access to East Midlands airport. Promoting effective access to the HS2 western leg, where appropriate. ● With partners, deliver a comprehensive programme of skills and supply chain support to maximise the economic impact of HS2.
10. Infrastructure Ensure that our physical infrastructure meets immediate demand, satisfies business and housing growth ambitions and enhances our natural environment	<ul style="list-style-type: none"> ● Develop D2N2 Infrastructure plan, identifying a ten-year pipeline of priority projects to enable and accelerate investment (physical and digital) – to unlock employment opportunities and housing investment - in order to meet existing demand and future growth ambitions. ● Roll-out the development of the D2N2 Enterprise Zones, generating income for re-investment against our economic priorities. ● Support the development of East Midlands Airport as our primary gateway to the world, and maximise opportunities for inward investment - e.g. in transport and logistics - linked to EMA's role as a leading freight airport, and the adjacent East Midlands Gateway. ● Work in partnership with local authorities, Homes England, developers and the construction industry to help local housing authorities deliver their ambitious targets for growth, including supporting partners' collective efforts towards the One Public Estate objectives. ● Support the promotion of Modern Methods of Construction across D2N2 as a means of accelerating housing delivery. ● Develop an Energy Strategy to include location-specific opportunities for use of innovative heat source technologies (rivers, canals and mine water); and opportunities for the coal-fired power stations earmarked for closure, to be repurposed for other energy generation and storage technologies.

Priorities	Actions
<p>11. Place Making & Marketing</p> <p>Empower D2N2 communities as great places to live, work, study and visit; and undertake compelling place-marketing in order to attract inward investment and talent to the area, and to drive up visitor spending.</p>	<ul style="list-style-type: none"> ● Support the vitality of D2N2 area urban centres, including key towns such as Chesterfield and the Mansfield-Ashfield Conurbation. Pilot new approaches to managing and regenerating town centres and rural communities of the future, as towns' and rural areas' role as centres of population, employment and leisure evolves. ● Support a collaborative approach to place development, such as the implementation of the Metro Strategy to realise the economic benefits of agglomeration across the two cities. Work with Leicestershire LEP to take advantage of opportunities for joint working across the East Midlands' triangle and with other neighbouring LEPs to exploit common assets. ● Addressing rural deprivation through strategic investment in transport and infrastructure. ● Support investment in infrastructure to promote economic resilience. Build on current joint marketing by D2N2 investment agencies and local authorities, working with the Midlands Engine and DIT to maximise impact and achieve ● Support investment in attracting high value visits by capitalising on industrial heritage such as the development of the Derwent Valley Mills World Heritage Site, and attract business visitors by supporting Nottingham's ambition to establish an International Convention Centre in the city.
<p>12. Connectivity</p> <p>Exploit and enhance our strong transport and digital connectivity to business and labour markets; enabling businesses and people to travel and communicate quickly and easily, and unlocking opportunities for growth.</p>	<ul style="list-style-type: none"> ● Deliver plans for improvements in the major road network, to alleviate congestion to meet existing demand and to support ambitions for growth; including Midlands Connect and Transport for the North priorities, congestion management A52 at Pride Park, Southern Growth Corridor in Nottingham, Gedling Access Road, A61 corridor improvements including Whittington Moor roundabout in Chesterfield, Newark Southern Link road, and the Woodville-Swadlincote link road. ● Secure funding to provide better integrated mass transit links across D2N2, including to HS2/EMA and housing and employment growth areas. ● Secure investment in the rail network; including the Midland Main Line, improvements to Trent Junction and East Coast mainline, Castle Line service enhancements and the Robin Hood Line extension. ● Complete roll-out of superfast broadband, and support introduction of next generation digital connectivity, securing investment from the Local Full Fibre Networks Challenge Fund (second wave).

Monitoring Framework

We plan to prepare a State of the Economy Report annually and to carry out a full-scale strategic review every five years; but to keep the strategic priorities and sector focus under review in the light of significant changes in global, national or local circumstances in the meantime. The State of the Economy reports will cover the economic performance of the D2N2 LEP area across eight dimensions – economy, business, talent, inclusion, health, infrastructure, housing and environment.

We will work with partners and Government to refine and enhance this monitoring framework over the plan period, and have a strategic dialogue with partners about the implications of economic change.

Output	Gross Value Added (GVA)	£45.4bn	2016	ONS, Regional Gross Value Added (balanced) by LEP
Output per head	GVA per head	£20,846	2016	ONS, Regional Gross Value Added (balanced) by LEP
Productivity	GVA per hour	£28.6	2016	ONS, Labour Productivity
Jobs	Private sector jobs	760,694	2016	NOMIS, Business Register and Employment Survey
Earnings	Median annual earnings	£21,253	2017	NOMIS, Annual Survey of Hours and Earnings
Disposable income	Gross Disposable Household Income per head	£16,576	2016	ONS, Regional Gross Disposable Household Income
Density	Businesses per 10,000 working age residents	561	2016	ONS, Business Demography and Annual Population Survey
Exports	Value of exported goods	£11.7bn	2016	Department for International Trade
Start-up rate	Business births as a percentage of active businesses	12.7%	2016	ONS, Business Demography
Scale-up rate	Scaling businesses as a percentage of active businesses	1.2%	2015	Scale-up Institute (ONS, IDBR) and Business Demography
Survival	5-year business survival rate (%)	43.5%	2016	ONS, Business Demography
Innovation	Product or service innovation (% of businesses)	18.0%	2014-2016	ONS, UK Innovation Survey
Employment in high-tech industries	Share of employment in high and medium-high technology manufacturing and knowledge intensive market services (%)	6.1%	2016	NOMIS, Business Register and Employment Survey; Eurostat definition of high-tech industries

Higher-level qualifications	NVQ level 4+ (%)	31.6%	2017	NOMIS, Annual Population Survey
Higher-level occupations	Managerial, professional, associate professional and skilled occupation group (%)	57.3%	2017	NOMIS, Annual Population Survey
Graduate retention	D2N2 graduates who found local employment (%)	30.9%	2011-2015	Higher Education Funding Council for England
GCSE attainment	GCSE attainment A*-C in English & Maths	58.2%	2015	Department for Education, Key Stage 4 headline measures by district of the school and destination measures
Healthy life expectancy	Healthy life expectancy	60.3	2016	Public Health England, Public Health Outcomes Framework data
Working days lost due to sickness	Working days lost due to sickness (%)	1.0%	2016	Public Health England, Public Health Outcomes Framework data
Activity rate	Economically active population (%)	77.2%	2017	NOMIS, Annual Population Survey
Employment rate	Economically active employment rate (%)	95.8%	2017	NOMIS, Annual Population Survey
Working tax credits	Number of families receiving Child or Working Tax Credits	136,700	2018	HM Revenue & Customs, Child and Working Tax Credit Statistics
Employment and support allowance claimants	Number of ESA claimants	88,790	2017	NOMIS, Benefit claimants - employment and support allowance
Households in poverty	Percentage of Households Below 60% of the Median Income (after housing costs)	17.4%	2014	ONS, Households in poverty estimates for middle layer super output areas in England and Wales
Learning disabilities employment gap	Gap in the employment rate between those with a learning disability and the overall employment rate, %pt	70.0%	2017	Public Health England, Public Health Outcomes Framework data
Mental health conditions employment gap	Gap in the employment rate for those in contact with secondary mental health services and the overall employment rate, %pt	65.2%	2017	Public Health England, Public Health Outcomes Framework data

Road rated in good condition	Principal and non-principal classified roads where maintenance should not be considered (%)	95%	2016	Department for Transport, Road condition statistics
Population living within 30 minutes of a large employment centre	Population living within 30 minutes of 5,000 jobs by transit or walking (%)	45.6%	2016	Department for Transport, Journey time statistics
Business floorspace	Business floorspace per active enterprise (sq. m)	312	2016	Valuation Office Agency, total floorspace
Access to high speed internet	Availability of ultrafast broadband (300Mbit/s+)	37.3%	2018	Ofcom, Fixed Local Authority area
Dwelling stock	Dwelling stock	963,460	2017	Ministry of Housing, Communities & Local Government, Live Tables on Dwelling Stock
House price	Median house price	£160,000	2017	ONS, House price to residence-based earnings ratio
Housing affordability	Ratio of median house price to median gross annual residence-based earnings	5.6	2017	ONS, House price to residence-based earnings ratio
CO2 emissions	CO2 emissions per £m of annual GVA (tonnes)	348	2015	Department for Business, Energy, and Industrial Strategy, UK local authority and regional carbon dioxide emissions national statistics
Air quality	Days air quality exceeds 'moderate' or higher thresholds (average number of days per site)	7.4	2016	Department for Environment, Food & Rural Affairs, Air quality statistics

Thank you to Fife Wallace Ltd, SQW Ltd, Professor Richard Kneller from the University of Nottingham, the Nottingham Civic Exchange and the Royal Society for the Arts in assisting with the preparation of this Strategic Economic Plan.



www.D2N2LEP.org

0115 9578250

Bolsover District Council

Growth Scrutiny Committee

20th November 2019

<p>Corporate Plan Targets Performance Update – July to September 2019 (Q2 – 2019/20)</p>

Report of the Information, Engagement & Performance Manager

This report is public

Purpose of the Report

- To report the quarter 2 outturns for the Corporate Plan 2019-2020 targets.

1 Report Details

1.1 The attached contains the performance outturn for targets which sit under the 'unlocking our growth potential' aim as of 30th September 2019 (Information compiled on 5th November 2019)

1.2 A summary is provided below:

1.3 Unlocking our Growth Potential

- 7 targets in total
- 6 targets on track
- 1 target on Alert i.e. they may not achieve their intended outcomes
- **G 11** - *Through a programme of targeted refurbishment bring 10 empty private sector properties back into use per annum.* To date no properties brought back into use. 7 properties are in the process of being brought back into use. Once these have been completed, this should create 12 units of accommodation. See appendix for further information.

2 Conclusions and Reasons for Recommendation

2.1 Out of the 7 targets 6 (85%) are on track, 1 (15%) are on alert.

2.2 This is an information report to keep Members informed of progress against the corporate plan targets noting achievements and any areas of concern.

3 Consultation and Equality Impact

- 3.1 Not applicable to this report as consultation was carried out on the original Corporate Plan.

4 Alternative Options and Reasons for Rejection

- 4.1 Not applicable to this report as providing an overview of performance against agreed targets.

5 Implications

5.1 Finance and Risk Implications

No finance or risk implications within this performance report.

5.2 Legal Implications including Data Protection

No legal implications within this performance report.

5.3 Human Resources Implications

No human resource implications within this performance report.

6 Recommendations

- 6.1 That progress against the Corporate Plan 2019-2020 targets be noted.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC: Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	Not applicable
Links to Corporate Plan priorities or Policy Framework	Links to all Corporate Plan 2019-2020 aims and priorities

8 Document Information

Appendix No	Title
1.	Corporate Plan Performance Update – Q2 July to September 2019
Background Papers	
All details on PERFORM system	
Report Author	Contact Number
Kath Drury, Information, Engagement and Performance Manager	01246 242280

Bolsover District Council
Corporate Plan Targets Update – Q2 – July to September 2019

Status key

<i>Target Status</i>	Usage
On Track	The target is progressing well against the intended outcomes and intended date.
Alert	The target is six months off the intended completion date and the required outcome may not be achieved.

Aim – Unlocking our Growth Potential

Key Corporate Target	Directorate	Status	Progress	Target Date
G 01 - Through the use of Key Account Management develop a relationship with a minimum of 25 local businesses by March 2019.	Place	On Track	Q2 – 22 business engaged with this quarter. To date 24 businesses. The first Shirebrook shopfront refurbishments have commenced through the Building Resilience Programme which has resulted in a very successful engagement with new businesses in this quarter with a large number of the businesses engaging with the project, which will hopefully lead to further on-going and in-depth business relationships, assistance and new growth opportunities identified. The Shutter Art project has also commenced and has received excellent feedback and is making quite an impression on the square. Round 2 of BGF is due to launch next Quarter and work has been underway on the new application forms, processes and promotional items.	Mar-20
G 05 - Through the Bolsover North East Derbyshire LEADER Approach collectively support the creation of 40 sustainable jobs in the combined	Place	On Track	Q2: The programme has now approved 37 projects totalling £1,236,034.15. These projects are committed to generating £1,616,173.35 match funding and creating 68.82FTE jobs, which is a unit cost of £17,960 per job. The programme closed nationally to new applications on 30th September 2019 and	Dec-20

Key Corporate Target	Directorate	Status		Progress	Target Date
programme area by December 2020.				no further applications will be considered. Focus for the programme will now be directed to monitoring, claims, site inspections, evaluation, LAG visits and preparations for closure in March 2021.	
G 08 - Process all major planning applications 10% better than the minimum for special measures per annum.	Place	On Track		Q2: 100% (eight out of eight) major applications determined within deadline or agreed extension of time.	Mar-20
G 10 - Enable the development of at least 272 new residential properties within the district by March 2020	Place	On Track		Q2 - 331 units are currently under construction in the district so this target should be on track. A figure is produced annually after the end of the financial year 291 units were completed 2018/19.	Mar-20
G 11 - Through a programme of targeted refurbishment bring 10 empty private sector properties back into use per annum.	Place	Alert		<p>Q2 - At the end of this quarter, no properties have yet to be brought back into use. However, 7 properties are in the process of being brought back into use. Once these have been completed, this should create 12 units of accommodation.</p> <p>Action Housing have now purchased the Old Co-op in Whitwell to convert into 5 apartments - work will begin in November and will be completed within 6 months. They have also now signed the lease for a long term empty property in Carr Vale - work has commenced to convert it into 2 apartments and will be completed before the end of March 2020.</p> <p>The empty property officer has supported an owner of a long term problematic empty property in Carr Vale, to sell it at auction. The owner lacked the skills to be able to sell it themselves and therefore a number of departments came</p>	Mar-20

Key Corporate Target	Directorate	Status	Progress	Target Date
			<p>together to support them through this process. The property sold for £10k above the guide price, which has helped the owner financially and means that the property is no longer a burden to them. The new owner has now started work to renovate it and this will be completed before the end of March 2020.</p> <p>The empty property officer has referred 2 empty property owners in Bolsover and Pinxton; to an energy company who have a number of different incentives; to help owners bring their empty properties back into use. It is expected that these properties will be occupied by the end of March 2020.</p> <p>The empty property officer and Environmental Health dept are supporting 2 owners of a long term empty property in Bolsover. Due to the property being unfit for habitation, they have secured them accommodation in 2 BDC Housing flats, which had lain empty for a number of months. The property they own is a non-standard build and it is causing issues within its locality; the Council are working with the owners to clear the property of their belongings and support them through the sale process. It is expected that the site will be on the market within the next 6 months, which will enable a developer to redevelop the site as a new single dwelling.</p> <p>The empty property officer and Environmental Health dept are commencing proceedings to enforce the sale of a property in Shirebrook, where there is a large amount of waste, which is causing problems to neighbouring properties. The owners have failed to cooperate and therefore both departments are working together to bring this property back into use. It is expected that this process will take between 6 and 9 months.</p>	

Key Corporate Target	Directorate	Status		Progress	Target Date
				They are also due to commence proceedings for enforced sale on a property in Langwith, where there is a large debt recorded against the property (owed to the Council for a garden clearance) which has not been paid - the property is also in a state of disrepair and is causing problems for neighbours and the owners have failed to act as instructed.	
G 13 - Work with partners to deliver an average of 20 units of affordable homes each year.	Place	On Track		Q2: The total for the year is calculated after year end. There are currently in excess of 20 affordable housing units under construction so the target should be met at end of the financial year.	Mar-20
G17 - Procure new partner for building next generation of council housing by 2020	Place	On Track		Q2 - Contract out to tender, report to Executive in December.	Mar-20

Bolsover District Council

Growth Scrutiny Committee

20th November 2019

Growth Report Update – April 2019 to September 2019
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Report of the Information, Engagement & Performance Manager

This report is public

Purpose of the Report

- To report the half year outturns for the Growth Report.

1 Report Details

- 1.1 The attached summary contains an update on the Growth Strategy together with the outturns for performance indicators which support the delivery of the Growth Strategy. (Information compiled November 2019.)
- 1.2 In 2014 the Council committed to a Strategy to focus on unlocking the potential to deliver growth for the District. Through the Growth Strategy and the Corporate Plan 2015-2019 the Council sets out its ambition to create a sustainable high performing economy. The Council established three strategic priorities to unlock our growth potential.
- 1.3 The summary covers the three strategic priorities of the Strategy:
 1. **Supporting Enterprise:** maintaining and growing the business base
 2. **Enabling Housing Growth:** increasing the supply, quality and range of housing to meet the needs of a growing population and support economic growth
 3. **Unlocking Development Potential:** unlocking the capacity of major employment sites
- 1.4 Four performance indicators are at 'exception' with a full explanation provided within the attached appendix. 3 performance indicators are awaiting data and 2 performance indicators will report the final 2019/20 outturn expected in June 2020.

2 Conclusions and Reasons for Recommendation

- 2.1 This is an information report to keep Members informed of progress against the Growth Strategy noting achievements and any areas of concern.

3 Consultation and Equality Impact

- 3.1 Not applicable to this report as consultation was carried out on the original Growth Strategy and Corporate Plan.

4 Alternative Options and Reasons for Rejection

- 4.1 Not applicable to this report as providing an overview of performance against agreed targets.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 No finance or risk implications within this performance report.

5.2 Legal Implications including Data Protection

- 5.2.1 No legal implications within this performance report.

5.3 Human Resources Implications

- 5.3.1 No human resource implications within this performance report.

6 Recommendations

- 6.1 That progress against the Growth Strategy and indicators be noted.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC:</i> <i>Revenue - £75,000</i> <input type="checkbox"/> <i>Capital - £150,000</i> <input type="checkbox"/> <i>NEDDC:</i> <i>Revenue - £100,000</i> <input type="checkbox"/> <i>Capital - £250,000</i> <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No
Has the relevant Portfolio Holder been informed	Yes
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All Corporate Plan Aims with particular emphasis on 'Unlocking our Growth Potential'.

8 Document Information

Appendix No	Title
1	Growth Report – April to September 2019
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
All details on PERFORM system	
Report Author	Contact Number
Kath Drury, Information, Engagement and Performance Manager.	01246 242280

Bolsover District Council - Growth Summary – 2019/20 – half year update

Unlocking Our Growth Potential

In 2014 the Council committed to a strategy to focus on unlocking the potential to deliver growth for the district. Through the Growth Strategy and the Corporate Plan 2015-2019 the Council set out its ambition to create a sustainable high performing economy. The Council established three strategic priorities to unlock our growth potential. A summary of the progress against these priorities for 2019/20 (April to September 2019) is as follows:

1. Supporting Enterprise: maintaining and growing the business base

- Officers continue to attend the regular Growth Hub Crossover Advisor Forum, and refer businesses for personalised assistance where appropriate.
- Following the Building Resilience project going live, a large number of Shirebrook businesses have engaged with the project. The Bolsover Business Growth Fund Round 2 is going live next quarter which will provide opportunities to engage with businesses that would not normally engage with the Council.
- Economic Development continues to promote its services through the Invest in Bolsover website, In Touch and promotional materials. New materials are being developed for the launch of Round 2 of the Bolsover Business Growth Fund. 11 E-bulletins were issued for a range of subjects including funding for skills support, Derbyshire Economic Growth Fund re-opening and the Green Growth Diagnostic Tool for businesses. The team continue to work closely with the Department for Investment and Trade to review investment opportunities and manage investment property and site enquiries.
- Contracts for the four Business Rates Retention Pilot schemes have been signed with DCC. Consultants have been appointed to undertake two of the schemes, and are progressing with the work on the projects. Another project is in development, and the fourth is anticipated to go live in the next quarter.
- BNED LEADER: The programme has now approved 37 projects totalling £1,236,034.15. These projects are committed to generating £1,616,173.35 match funding and creating 68.82FTE jobs, which is a unit cost of £17,960 per job. The programme closed nationally to new applications on 30th September 2019 and no further applications will be considered. Focus for the programme will now be directed to monitoring, claims, site inspections, evaluation, LAG visits and preparations for closure in March 2021.

2. Enabling Housing Growth: increasing the supply, quality and range of housing to meet the needs of a growing population and support economic growth

- Action housing have completed the purchase of the old Co-op in Whitwell and plan to convert it to 5 x 1 bed flats. This is due to start in the following quarter (November with anticipated 6 month's work programme). The empty property in North View at Carr Vale is currently 5 weeks behind due to electrical safety issues, Action will be able to safely access the property to complete the works and intend to put a larger team on the project to get it back on track.
- Housing Strategy are referring empty property owners to E.ON who have an empty property solution, this is a private relationship between the empty property owner and E.ON.
- Planning Committee resolved to approve outline planning permission for the Whitwell Colliery application subject to completion of a s.106 agreement securing various infrastructure contributions. (Circa 450 dwellings and circa 6 hectares of employment, amongst other things).
- The existing B@home framework ends on 26th November 26th 2019. Currently 12 units at the Paddock, Bolsover are under construction which will take the total New Build units completed to 103. Planning has been applied for 4 sites in Whitwell, if achieved on all sites prior to the 26/11/19 the Council will enter into a contract to build a further 16 units with its existing construction partner Robert Woodhead Ltd within the B@Home framework. The new 4 year framework is currently out for tender through Efficiency East Midlands (EEM), the tender period ends on the 1st November. A report will be submitted to Executive in December 2019.
- Officers from DCC highways, BDC Planning and Economic Development have met with Waystones to help facilitate the delivery of the Clowne North development. They have worked together on the Full Business Case being provided to D2N2 LEP to secure funding to accelerate the delivery of the development.
- Working towards engaging landowners in the Local Development Order (LDO) work and design guide for employment land in the East Midlands Manufacturing Zone. This work will streamline the planning process for Developers.
- The Local Plan for Bolsover District was submitted for Examination at the end of August 2018 with public hearing sessions taking place in January/February/March 2019. Consultation on modifications took place during June/July 2019 and the representations received were forwarded to the Inspector for her consideration in August 2019. Based on the likely timetable for the Inspector's report, the Council is now expecting to adopt the Local Plan early in 2020.

3. Unlocking Development Potential: unlocking the capacity of major employment sites

- The Project Control Board and the Project Operations Group continues to meet to drive the Coalite regeneration forward. Bolsover Land Ltd presented on the development scheme to the D2N2 Board (July 2019) and the Bolsover Skills & Employment Partnership (September 2019) which were very well received.
- Coalite - Reserved matters approval granted for employment buildings on Plots 4a and 4b, 6, 7 and 8. Awaiting application for Plot 5.
- Work is well underway at the new Morrison's site in Bolsover and recruitment is underway. It is hoped to be open by Christmas 2019.
- Recruitment for the Amazon warehouse at Barlborough commenced early in Quarter 2, with further recruitment planned to ensure staffing levels for the peak Christmas period.
- Consultants appointed and undertaking studies for the East Midlands Manufacturing Zone work streams relating to planning matters (that is, exploring potential benefits and disadvantages of local development orders; and also developing a commercial design guide) and transport (that is, a mobility strategy) across six sites in northern Derbyshire in Bolsover, Chesterfield and North East Derbyshire districts.

11
The following is a more detailed breakdown of some of the performance measures against our Growth priorities.

BDC Growth Indicators (2019/20 – Half year update)

2018/19 Outturn	No.	Description	2019/20 Mid-year update	19/20 Target	Status
Planning Indicators					
£397,518	1.	Major Planning fees received	£298,010	£325,000	▲
£258,681	2.	Minor Planning fees received	£77,182		
£656,199	3.	Combined Minor and Major Planning fees	£375,192		
100% (23 out of 23)	4.	Process all major planning applications 10% better than the national minimum (CPT)	100% (8 out of 8)	60%	▲
99.2% (120 out of 121)	5.	Determining "Minor" applications within target deadlines	100% (37 out of 37)	70%	▲

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2018/19 Outturn	No.	Description	2019/20 Mid-year update	19/20 Target	Status
99.5% (214 out of 215)	6.	Determining "Other" applications within target deadlines	100% (58 out of 58)	85%	▲
2076 (7.76 year's supply) 1 st April 2018	7.	Supply of available and deliverable housing sites at 1st April (5 year supply)	2482 (9 years of deliverable supply) 1st April 2019	-	
0 ha of newly allocated employment land + 24,463 m2 (net) within urban areas / existing employment areas	8.	Area of new employment floor space built (hectares / square metres)	See 2018/19 for latest update. 2019/20 data available June 2020	-	
Housing Indicators					
291	9.	Enable the development of at least 272 new residential properties within the district by March 2020 (CPT)	331 under construction	272	-
£256,857	10.	Amount received in additional New Homes Bonus from the government (a former corporate plan target)	Available April 2020	No longer a CPT	-
66	11.	Work with partners to deliver an average of 20 units of affordable homes each year (CPT)	20+ homes under construction	20	-
5	12.	Bring back into use 10 empty properties per year (CPT)	0	10	▼
Business Indicators					
99.3%	13.	% of business rates collected in year	Not Available	98.5%	

2018/19 Outturn	No.	Description	2019/20 Mid-year update	19/20 Target	Status
+£1,671,536	14.	Business growth as measured by gross NNDR (a former corporate plan target)	Available April 2020	No longer a CPT	
66.6%	15.	Percentage of NNDR arrears collected	34.4%	65%	▲
£1,671,536 (+2.6%)	16.	Change in rateable value of commercial property in the district	£3,221,896 (+5.2%)	-	-
£ 233,524	17.	Level of income generated through letting property owned by the Council but not occupied by the Council, not including Housing, The Tangent and Pleasley Vale	£137,574	£235,747	▲
£53,391	18.	Financial performance for the Tangent in line or exceeding budget forecast.	(£20,965)	£ 67,033 profit	▼
£195,157	19.	Financial performance of Pleasley Vale Mills in line or exceeding budget forecast.	(£141)	£ 216,855 profit	▼
22	20.	Number of Business Growth Fund grants awarded	New round started Oct 2019	4	-
£184,812	21.	Value of Business Growth Fund grants awarded	Started Oct 2019	£20,000	-
31	22.	Number of BNED LEADER grants awarded (scheme total)	37	37	▲
£1,142,050	23.	Value of BNED LEADER grants awarded	£1,236,034.15	£1,237,704.00	▲
23	24.	Apprenticeships started	4	12 FTE	▼
142	25.	25 businesses supported through Key Account Management by March 2020 (CPT)	24	25	▲
District Information					
2.1 %Bolsover 2.2% East Mid 2.7% GB	26.	Out-Of-Work Benefits Claimant count Age range 16 – 64 (See graph and note)	2.3 %Bolsover 2.5% East Mid 2.8% GB	-	

2018/19 Outturn	No.	Description	2019/20 Mid-year update	19/20 Target	Status
	27.	Average earnings	See Appendix		
£145,676	28.	Average house price (See graph)	£147,511	-	
	29.	Qualification and Occupation levels	See Appendix		

Exceptions

<p>Bring back into use 10 empty properties per year</p>	<p>At end of September 2019 no properties have yet to be brought back into use. However, 7 properties are in the process of being brought back into use. Once these have been completed, this should create 12 units of accommodation.</p> <p>Action Housing have now purchased the Old Co-op in Whitwell to convert into 5 apartments - work will begin in November and will be completed within 6 months. They have also now signed the lease for a long term empty property in Carr Vale - work has commenced to convert it into 2 apartments and will be completed before the end of March 2020.</p> <p>The empty property officer has supported an owner of a long term problematic empty property in Carr Vale, to sell it at auction. The owner lacked the skills to be able to sell it themselves and therefore a number of departments came together to support them through this process. The property sold for £10k above the guide price, which has helped the owner financially and means that the property is no longer a burden to them. The new owner has now started work to renovate it and this will be completed before the end of March 2020.</p> <p>The empty property officer has referred 2 empty property owners in Bolsover and Pinxton; to an energy company who have a number of different incentives; to help owners bring their empty properties back into use. It is expected that these properties will be occupied by the end of March 2020.</p> <p>The empty property officer and Environmental Health are supporting 2 owners of a long term empty property in Bolsover. The property they own is a non-standard build and it is causing issues within its locality; the Council are working with the owners to clear the property of their belongings and support them through the sale process. It is expected that the site will be on the market within the next 6 months, which will enable a developer to redevelop the site as a new single dwelling.</p>
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	The empty property officer and Environmental Health are commencing proceedings to enforce the sale of a property in Shirebrook, where there is a large amount of waste, which is causing problems to neighbouring properties. The owners have failed to cooperate and therefore both departments are working together to bring this property back into use. It is expected that this process will take between 6 and 9 months. They are also due to commence proceedings for enforced sale on a property in Langwith, where there is a large debt recorded against the property (owed to the Council for a garden clearance) which has not been paid - the property is also in a state of disrepair and is causing problems for neighbours and the owners have failed to act as instructed.
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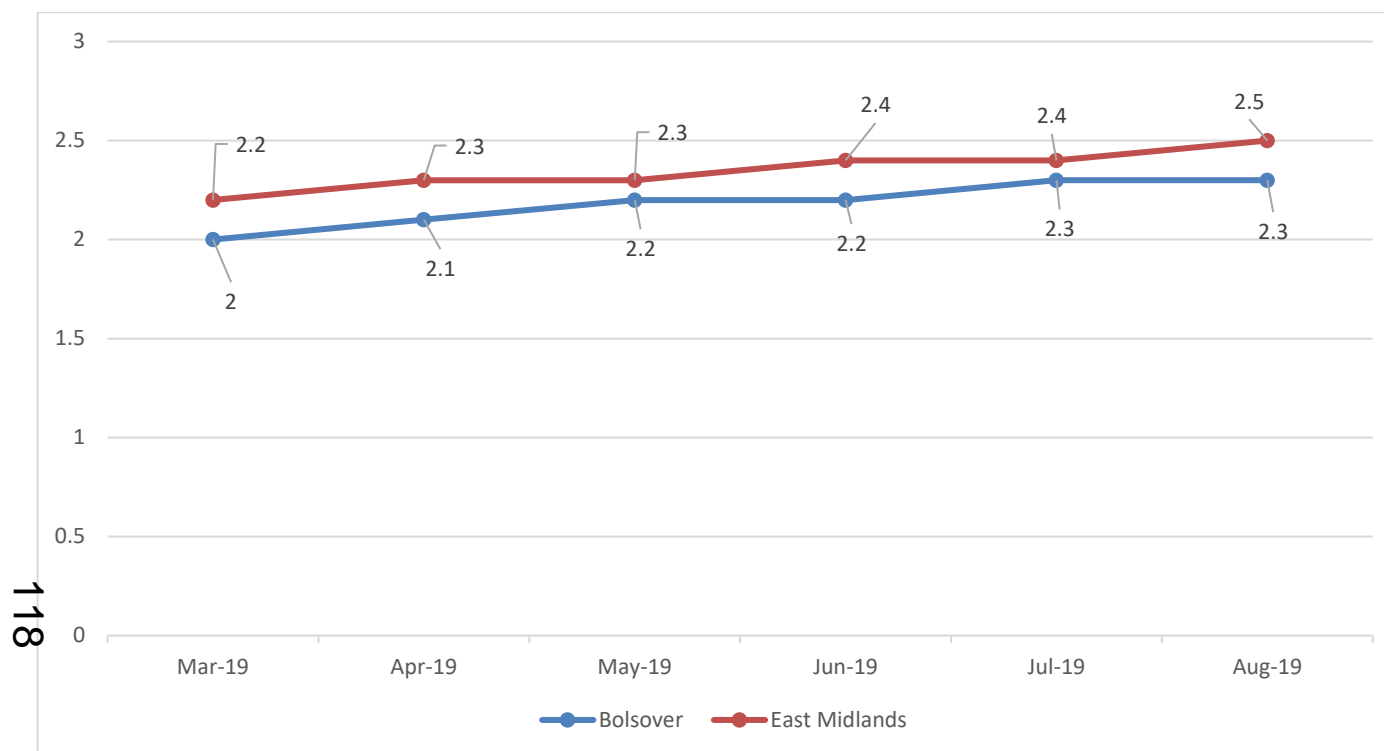
Financial performance for the Tangent in line or exceeding budget forecast.	The cost instead of a profit is most likely down to timing at this time of year. There are 2 large budgets that have the whole amount committed against them as the contracts are let. The income is only for 6 months though.
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11

Financial performance of Pleasley Vale Mills in line or exceeding budget forecast.	Loss at 30/9/19 - not a profit due to hired and contracted services expenditure committed on Financial Management System for whole year and income for electricity lower than 1/2 year - possibly due to timing of raising invoices.
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Apprenticeships started	The lead officer anticipates to at least achieve the target if not exceed by March 2020.
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Out of Work Benefits Claimant count (Age range 16 – 64) - not seasonally adjusted (August 2019)



<p>Out-Of-Work Benefits Claimant count Age range 16 – 64</p>	<p>The Claimant Count is the number of people claiming benefit principally for the reason of being unemployed. This is measured by combining the number of people claiming Jobseeker's Allowance (JSA) and National Insurance credits with the number of people receiving Universal Credit principally for the reason of being unemployed. Claimants declare that they are out of work, capable of, available for and actively seeking work during the week in which the claim is made.</p> <p>Under Universal Credit a broader span of claimants are required to look for work than under Jobseeker's Allowance. As Universal Credit Full Service is rolled out in particular areas, the number of people recorded as being on the Claimant Count is therefore likely to rise.</p>
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Source: <https://www.nomisweb.co.uk/>

Average Earnings

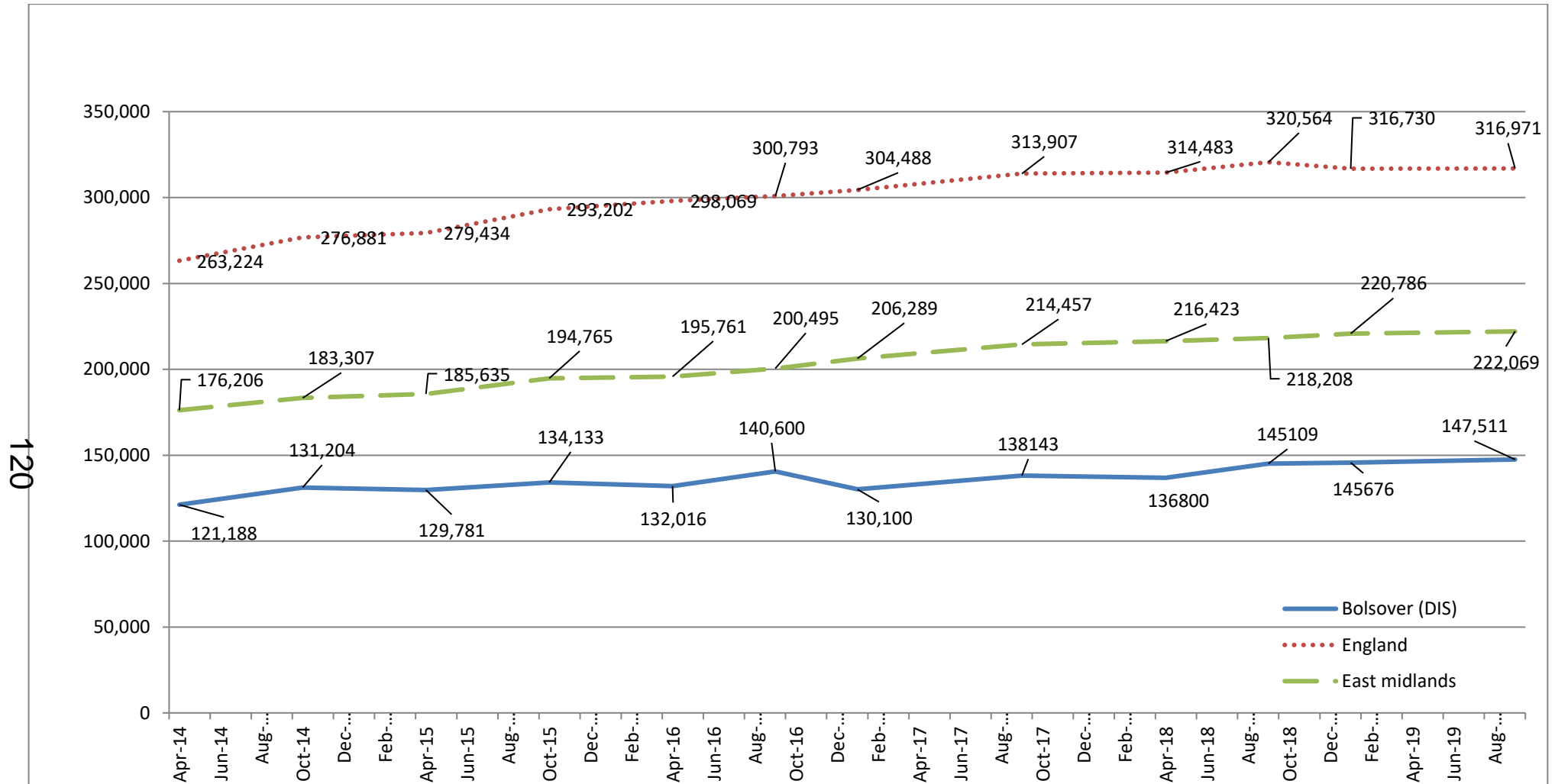
Earnings by place of residence (2019)

	Bolsover (pounds)	East Midlands (pounds)	Great Britain (pounds)
Gross weekly pay			
Full-time workers	519.2	547.4	587.0
Male full-time workers	525.3	590.3	632.0
Female full-time workers	463.6	476.1	528.9
Hourly pay - excluding overtime			
Full-time workers	12.70	13.63	14.88
Male full-time workers	12.70	14.23	15.44
Female full-time workers	12.87	12.49	13.99

Source: ONS annual survey of hours and earnings - resident analysis

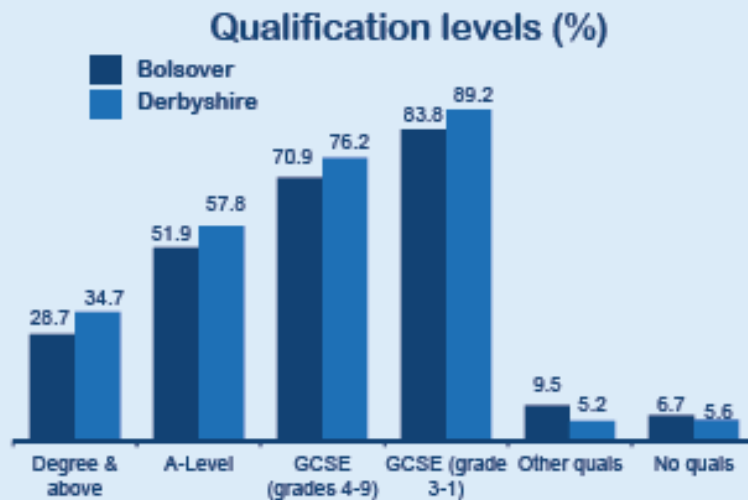
Notes: Median earnings in pounds for employees living in the area.

Bolsover, East Midlands and English average house prices (2014 up to Sept 2019)



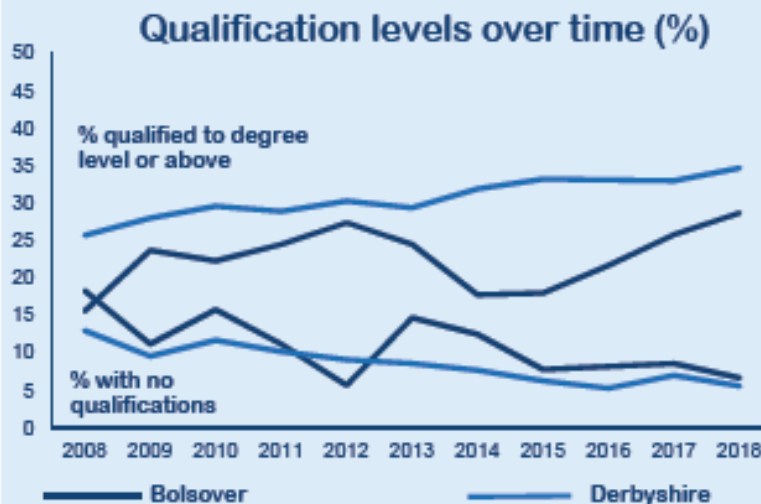
Source: Hometrack - Housing Intelligence System

Adult skill levels in Bolsover (2018)



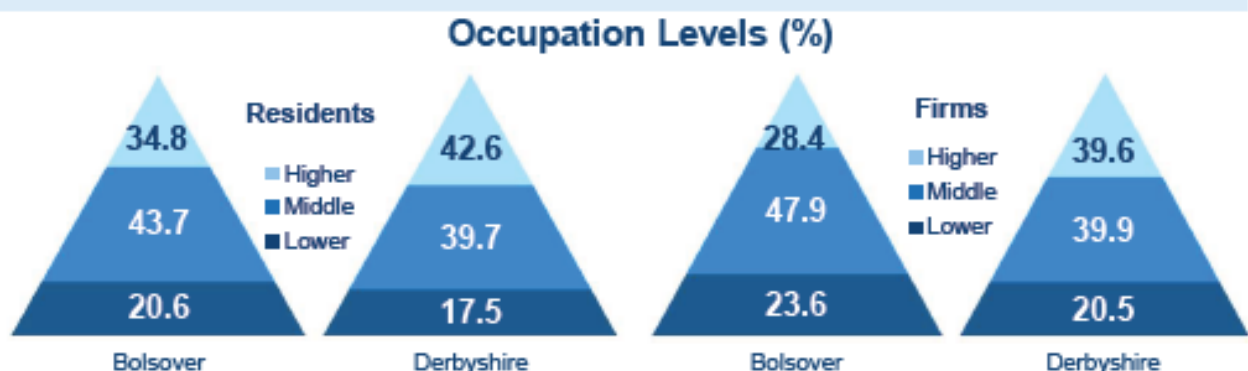
The qualification levels of Bolsover's working age population (aged 16-64 years) have greatly improved over the last ten years since 2008

when the proportion of people qualified to degree level or above was 15.6% and 18.3% of people had no qualifications. Currently **28.7%** of the district's residents hold a degree (or higher) and just **6.7%** have no qualifications.



There continues to be a skills gap at degree level with significantly fewer Bolsover residents with higher level qualifications compared to Derbyshire.

The proportion of the workforce qualified to degree level or above varies by nearly 20% points across the county, from 48.2% in Derbyshire Dales to 28.7% in Bolsover and Chesterfield.



Fewer residents in Bolsover work in higher level occupations than across Derbyshire

The occupational profile of Bolsover's firms is lower than for the district's residents reflecting the large number of people who commute out of the district for the higher level jobs elsewhere

Bolsover District Council

Growth Scrutiny Committee

20th November 2019

Scrutiny Committee Work Programme 2019/20
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Report of the Scrutiny & Elections Officer

This report is public

Purpose of the Report

- To provide members of the Scrutiny Committee with an overview of the meeting programme of the Committee for 2019/20.

1 Report Details

- 1.1 The main purpose of the report is to inform members of the meeting programme for the year 2019/20 and planned agenda items (Appendix 1).
- 1.2 This programme may be subject to change should additional reports/presentations be required, or if items need to be re-arranged for alternative dates.
- 1.3 Review Scopes will be submitted agreed within Informal Session in advance of the designated meeting for Member approval to ensure that there is sufficient time to gather the information required by Members and to enable forward planning of questions.
- 1.4 Members may raise queries about the programme at the meeting or at any time with the Scrutiny & Elections Officer should they have any queries regarding future meetings.

2 Conclusions and Reasons for Recommendation

- 2.1 This report sets the formal Committee Work Programme for 2019/20 and the issues identified for review.
- 2.2 The Scrutiny Programme enables challenge to service delivery both internally and externally across all the Corporate Plan Ambitions.
- 2.3 Part 3.6(2) of the Council's Constitution requires each Scrutiny Committee to set an annual work plan.

3 Consultation and Equality Impact

- 3.1 All Scrutiny Committees are committed to equality and diversity in undertaking their statutory responsibilities and ensure equalities are considered as part of all Reviews.

The selection criteria when submitting a topic, specifically asks members to identify where the topic suggested affects particular population groups or geographies.

3.2 The Council has a statutory duty under s.149 Equality Act 2010 to have due regard to the need to advance equality of opportunity and to eliminate discrimination.

3.3 As part of the scoping of Reviews, consideration is given to any consultation that could support the evidence gathering process.

4 Alternative Options and Reasons for Rejection

4.1 There is no option to reject the report as Part 3.6(2) of the Council's Constitution requires each Scrutiny Committee to set an annual work plan.

5 Implications

5.1 Finance and Risk Implications

5.1.1 None from this report.

5.2 Legal Implications including Data Protection

5.2.1 In carrying out scrutiny reviews the Council is exercising its scrutiny powers as laid out in s.21 of the Local Government Act 2000 and subsequent legislation which added to/amended these powers e.g. the Local Government and Public Involvement in Health Act 2007.

5.3 Human Resources Implications

5.3.1 None from this report.

6 Recommendations

6.1 That Members note this report and the Programme attached at Appendix 1. All Members are advised to contact the Scrutiny & Elections Officer should they have any queries regarding future meetings.

7 Decision Information

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: <i>BDC: Revenue - £75,000 <input type="checkbox"/></i> <i>Capital - £150,000 <input type="checkbox"/></i> <i>NEDDC: Revenue - £100,000 <input type="checkbox"/></i> <i>Capital - £250,000 <input type="checkbox"/></i> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No

Has the relevant Portfolio Holder been informed	N/A
District Wards Affected	All
Links to Corporate Plan priorities or Policy Framework	All

8 Document Information

Appendix No	Title
1.	Work Programme 2019/20
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Previous versions of the Committee Work Programme.	
Report Author	Contact Number
Joanne Wilson, Scrutiny & Elections Officer	2385

Report Reference –

Growth Scrutiny Committee

Work Programme 2019/20

Vision: To enhance and improve the wealth profile, well-being and quality of life for the communities of Bolsover District

Corporate Aim: Unlocking our Growth Potential

Formal Items – Report Key

Performance Review	Policy Development	Policy/Strategy/ Programme Monitoring	Review Work	Call-In/Review of Executive Decisions	Petition

Date of Meeting	Items for Agenda		Lead Officer
12 th June 2019	Part A – Formal	• Growth Strategy Update Q3 & Q4 2018/19 and Growth Performance Indicators Q3 & Q4 2018/19	Information, Engagement and Performance Manager
		• Quarter 4 – Performance Update	Information, Engagement and Performance Manager
		• Agreement of Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Scoping of Review Work	Scrutiny & Elections Officer
10 th July 2019	Part A – Formal	• Member Briefing on HS2	Joint Strategic Director – Place
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Scoping of Review	Scrutiny & Elections Officer
7 th August 2019	Part A – Formal	• Quarter 1 – Performance Update	Information, Engagement and Performance Manager
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Briefing from Economic Development	Scrutiny & Elections Officer
18 th September 2019	Part A – Formal	• Post-Scrutiny Monitoring: Review of Income Generation – Interim Report	Scrutiny & Elections Officer

Date of Meeting	Items for Agenda		Lead Officer
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Document Review	Scrutiny & Elections Officer
16th October 2019	Part A – Formal	• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Briefing from Partnerships Team	Scrutiny & Elections Officer
6th November 2019	Part B – Informal	• Review Work – Briefing from LEADER Team	Scrutiny & Elections Officer
20th November 2019 126	Part A – Formal	• Briefing from D2N2 Local Enterprise Partnership	D2N2/ Acting Head of Economic Development/ Joint CEO
		• Corporate Plan Targets Performance Update – July to September 2019 (Q2 – 2019/20)	Information, Engagement and Performance Manager
		• Growth Report Update – April 2019 to September 2019	Information, Engagement and Performance Manager
		• Development of new performance framework to support the vision for 2019-2023	Information, Engagement and Performance Manager
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work	Scrutiny & Elections Officer
22nd January 2019 <i>To be approved</i>	Part A – Formal	• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Interim Report/Recommendations (Provisional – 1 st option)	Scrutiny & Elections Officer
26th February 2020	Part A – Formal	• Corporate Plan Targets Performance Update – October to December 2019 (Q3 – 2019/20)	Information, Engagement and Performance Manager
		• Review work – Approval of Final Report (Provisional – 1 st option)	Scrutiny & Elections Officer
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work – Interim Report/Recommendations (Provisional – 2 nd option)	Scrutiny & Elections Officer

Date of Meeting	Items for Agenda		Lead Officer
18 th March 2020	Part A – Formal	• Update on Sustainable Community Strategy 2006-20	Partnership Team
		• Post-Scrutiny Monitoring: Review of Income Generation – Final Report	Scrutiny & Elections Officer
		• Review work – Approval of Final Report (Provisional – 2 nd option)	Scrutiny & Elections Officer
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work (TBC)	Scrutiny & Elections Officer
13 th May 2020	Part A – Formal	• Review work – Executive Response (Provisional)	Chair/Scrutiny & Elections Officer
		• Corporate Plan Targets Performance Update – January to March 2020 (Q4 – 2019/20)	Information, Engagement and Performance Manager
		• Work Programme 2019/20	Scrutiny & Elections Officer
	Part B – Informal	• Review Work (TBC)	Scrutiny & Elections Officer