

COUNCIL CABINET
11 November 2020
Minute Extract

**64/20 Creation of the Manufacturing Research Centre
(MRC) Midlands at Infinity Park**

The Council Cabinet considered a report which sought approval to enter into a Joint Venture with the University of Derby for the forward purchase of a new research and development facility at Infinity Park Derby (IPD) extending up to 48,000sqft. The new Manufacturing Research Centre (MRC) Midlands facility would be occupied by Nuclear Advanced Manufacturing Centre (NAMRC) and the University of Derby (UoD). This was a key priority that would raise the profile of IPD, create a world class research and development facility for advanced manufacturing and act as a catalyst for development at IPD.

NAMRC successfully launched their pilot in the iHub in early 2019. Their first phase had been successful with NAMRC engaging with local companies enabling it to scale up its operation. NAMRC, the Council and UoD had been working collaboratively to plan and progress the delivery of a dedicated centre for their occupation, alongside the UoD's Institute for Innovation in Sustainable Engineering (IISE).

The report summarised key elements of the project business case and details the feasibility work undertaken and the rationale for the investment. The report sought approval to forward fund a high-quality commercial development that would enhance the access to research and development for small and medium sized businesses within the City and region whilst enabling transformational change for the manufacturing sector. It would generate opportunities for future innovation and investment, create new jobs and support diversification opportunities for the manufacturing supply chain.

The Executive Scrutiny Board recommended to Council Cabinet that the building reflects the ambition of what it wants to deliver from the businesses within it in terms of decarbonisation, by designing it for Bream Excellent or Outstanding, not just Good.

Options Considered

Other options had been considered and were outlined in the confidential report.

Decision

1. To approve the terms of the property transactions the details of which were set out in the confidential report submitted to this meeting.
2. To accept the recommendation from the Executive Scrutiny Board that the building reflects the ambition of what it wants to deliver from the businesses within it in terms of decarbonisation, by designing it for Bream Excellent or

Outstanding, not just Good if this can be contained within the financial envelope..

Reasons

1. The investment within the MRC Midlands at Infinity Park Derby supported the key pillars of the economic recovery plan. It would provide confidence by acting as a catalyst for development at IPD and within the City, an opportunity for diversification of the local economy and accelerate decarbonisation through its broad range of research programmes.
2. Once built and occupied, the facility was anticipated to generate valuable economic benefits including 70 new jobs, £52 million additional Gross Value Added (GVA was an industry standard measure of economic activity) over a five year period, a significant programme of research and development activities and opportunities for local labour during the construction period. The project represented good value for money with a benefit cost ratio of 3.1:1.
3. The new facility would support SMEs in the area to grow by creating opportunities for research and development and cross sharing of information through collaborative projects.

70/20 Exclusion of the Press and Public

Resolved that under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting during discussion of the following item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

Key Decisions

73/20 Creation of the Manufacturing Research Centre (MRC) Midlands at Infinity Park Derby

The Council Cabinet considered exempt information in relation to entering into a Joint Venture with the University of Derby for the forward purchase of a new research and development facility at Infinity Park Derby (IPD) extending up to 48,000sqft.

The Executive Scrutiny Board noted the report.

Options Considered

These were set out in paragraphs 6.1 – 6.3 of the report.

Decision

1. To approve the recommendations set out in paragraphs 2.1 – 2.11 of the report.
2. To recommend Council to approve of an increase in prudential borrowing of £5.7 million to part-fund the investment from service financed borrowing.

Reasons

These were set out in paragraphs 3.1 – 3.3 of the report.

MINUTES END