

Public Document Pack



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PUBLIC

To: Members of D2 Joint Committee For Economic Prosperity

Wednesday, 29 September 2021

Dear Councillor,

Please attend a meeting of the **D2 Joint Committee For Economic Prosperity** to be held at **9.00 am** on **Thursday, 7 October 2021** in Council Chamber, County Hall, Matlock, DE4 3AG, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington
Director of Legal and Democratic Services

AGENDA

PART I - NON-EXEMPT ITEMS

1. Apologies for Absence
To receive apologies for absence (if any)
2. Declarations of Interest
To receive declarations of interest (if any)
3. Minutes (Pages 1 - 6)

To confirm the non-exempt minutes of the meeting of the Derby and Derbyshire Joint Committee for Economic Prosperity held on 02 July 2021.

4. LEP Update (Pages 7 - 14)
5. National Bus Strategy and the Bus Service Improvement Plan (Pages 15 - 22)
6. Establishing a Hydrogen Roadmap in Derby and the Wider Region (Arup report)
7. Vision Derbyshire: Renewable Energy Strategy (Pages 23 - 26)
8. Strategic Planning Framework (Pages 27 - 34)
9. Economic Round Up
10. Date of Next Meeting
11. Exclusion of the Public

To move “That under Regulation 21 (1)(b) of the Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2000, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph(s)... of Part 1 of Schedule 12A to the Local Government Act 1972”

PART II - EXEMPT ITEMS

12. Declarations of Interest

To receive declarations of interest (if any)

13. Minutes (Pages 35 - 36)

To confirm the exempt minutes of the meeting of the Derby and Derbyshire Joint Committee for Economic Prosperity held on 02 July 2021.

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Agenda Item 3

MINUTES of a meeting of the **D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY** held on 2 July 2021 at County Hall, Matlock, DE4 3AG.

PRESENT

Councillor B Lewis
(in the Chair)

<u>Amber Valley Borough Council</u> Councillor K BATTERY	<u>High Peak Borough Council</u> Councillor A McKeown
<u>Chesterfield Borough Council</u> Councillor T Gilby	<u>North East Derbyshire District Council</u> Councillor C Renwick
<u>Derbyshire County Council</u> Councillor B Lewis	<u>South Derbyshire District Council</u> Councillor T Southerd
<u>Erewash Borough Council</u> Councillor C A Hart	

Also in Attendance –

Chesterfield Borough Council – H Bowen.
D2N2 LEP – S Rose.
Derby City Council – D Fletcher.
Derbyshire County Council – E Alexander and C Henning.
North East Derbyshire District Council – G Callingham.
South Derbyshire District Council – F McArdle

Apologies for absence were submitted on behalf of Councillor A Dale (North East Derbyshire District Council), Councillor G Purdy (Derbyshire Dales District Council), Lee Hickin (Bolsover District Council), Jeremy Jaroszek (Erewash Borough Council), Julian Townsend (Amber Valley Borough Council), and Paul Wilson (Derbyshire Dales District Council).

09/21 **DECLARATIONS OF INTEREST** There were no declarations of interest.

10/21 **MINUTES RESOLVED** that the Minutes of the meeting of the Committee held on 4 March 2021 be confirmed as a correct record.

11/21 **LEP UPDATE: VERBAL UPDATE ON LEP REVIEW, PLUS PROGRESS OF FUNDED CAPITAL PROGRAMMES AND LOW CARBON ENERGY GROUP IN THE D2 AREA** A presentation had been shared by S Rose which gave an update on the LEP Review, Capital Programmes and Low Carbon.

The LEP Review 2021 reviewed the changing role of LEPs, triggered by changing the delivery of funding and the focus shifting away from the national industrial strategy. There had been a commitment in the March 2021 budget to review the role of LEPs and this review would be underway led by Paul Scully.

The review would focus on 4 key workstreams:

- Objectives and Functions
- Geographies and Accountabilities
- Representation and Interaction with Local Government
- Implementation and Funding

All workstreams were underway and positive early soundings from Ministers had been received. There had been less clarity on the 'how' and what it would mean in practice and the review could be linked to the Levelling Up White Paper in the Autumn with the implementation from 1st April 2022.

The LEP had two principal grant fund programmes to enable economic growth in the region: £250m Local Growth Fund (finished March 2021); and the £44.4m of Getting Building Fund (Announced July 2020). Both funds were created to stimulate economic growth through the delivery of jobs, homes and learners.

The capital programme had covered a variety of schemes and had directly invested over £258m in the economy since 2015, as well as leveraging in over £400m of investment to the D2N2 Economy.

D2N2 LEP had a list of low carbon priorities to revolutionise the local economy to low carbon energy production, innovation, storage, transport, industry, agriculture and heating. To build a global hub and test bed for low carbon by using the Freeport to stimulate a low carbon energy cluster across other outstanding sites. As well as enable the building of more low carbon homes, promoting carbon literacy in business and inspiring current and future workforces to undertake training, follow careers and adopt lifestyles needed for Net Zero by 2050.

12/21 **APPOINTMENT OF DISTRICT REPRESENTATIVE TO D2N2 BOARD** There was a vacancy on the D2N2 Board, Councillor Kevin Buttery had been nominated for the position and following a subsequent vote, it had been agreed that Councillor Buttery would fill the vacancy.

13/21 PREPARING AND DELIVERING OUR MARKET TOWN PROGRAMME

An update had been given on the Staveley Town Deal. The Town Investment Plan had been submitted to Government in December 2020 and £25.2m had been confirmed as an allocation. The Heads of Terms had been agreed and signed off in May 2021. The business case development work is now got underway with a deadline of March 2022.

The resources had been agreed and phase one of the programme team recruitment was complete; the second phase was to include an apprentice as part of team. An assurance framework had been developed and approved which included external assurance for all business cases. The Internal CBC Programme Board were meeting regularly and driving business case development. Monitoring and evaluation framework, strategic risk register and funding agreements were all well advanced.

An update was provided on the Clay Cross Town Deal. A selection of working groups had been formed. The remit of these groups:

- Technical groups to support business case development
- All groups either attended by or chaired by a Town Board member
- Advisory basis only
- Reports directly to the Town Board
- Major decisions deferred to Board

The next steps for Clay Cross were to further define the scope of projects to match the funding available, continue the ongoing dialogue with key landowners and businesses to assist land assembly and relocation of businesses, appoint assurance framework consultant, as well as continue to develop business cases with support of consultants and working groups.

An update was provided on the Long Eaton Town Deal. Long Eaton had applied for £24.8m and been allocated all the money requested. Plans for Long Eaton included layout changes to 'The Green' as well as high street improvements. Three unused buildings would be renovated into usable spaces and would host residential and cultural hubs. Other projects included upgrades to the cycle network and the creation of Westpark Waterfront.

Erewash Borough Council would soon move on to bidding for Ilkeston.

14/21 VISION DERBYSHIRE: SKILLS AND EMPLOYMENT: REPORT OUTLINING PROPOSAL TO CREATE A FESTIVAL OF DERBYSHIRE

The report sought approval to access the Retained Business Rates Fund to pay for an innovative 'Derbyshire Festival of Business' under the banner of Vision Derbyshire delivered through a partnership led by the University of Derby.

Working under the umbrella of the Vision Derbyshire theme, "Establish Relentless Ambition", the Employment and Skills COVID Recovery Cell had

identified a key intervention to support business recovery in Derbyshire, working with the University of Derby and other delivery partners.

The event was to be managed by the University of Derby and delivered over a month-long window during the Autumn 2021. The overall aim was to help enable the business community to bounce-back from the challenges caused by the pandemic and BREXIT.

RESOLVED to (1) note the overall aims and project proposals set out in the report; and (2) agree the allocation of £43,000, plus VAT, from the Retain Business Rates Fund into a nominated budget within Derbyshire County Council's Economy and Regeneration Service.

15/21 VISION DERBYSHIRE: ECONOMIC DEVELOPMENT PILOT: A VERBAL UPDATE OUTLINING PROGRESS OF BUSINESS START-UP PILOT

It had been agreed in December 2020 that 10 Local Authorities would participate in a business start-up programme. All Derbyshire LA's and Derby City had been involved.

There had been a focus on emerging and likely impacts of Covid-19 on the economy. This gave an opportunity for the LA's to work together using their platform to assist businesses. Three applicants had been appointed as start-up advisors, and discussions with the Chief Executive and Leader sponsor for the pilot confirmed a proposal to appoint a fourth adviser and reshape the previously-approved fifth post as a project officer supporting monitoring and evaluation.

16/21 REFRESHING OUR APPROACH TO DELIVERY: INITIAL DISCUSSION ON EFFECTIVENESS OF CURRENT GOVERNANCE ARRANGEMENTS FOR ECONOMIC GROWTH

It had become clear that the approach to delivery involved the same Elected Members and officers and included similar discussions. There were a range of Boards, some formally constituted, some informal that had different powers and resources.

A review would begin to look across the Boards and Panels to rebalance the functions, membership and formality of the Boards.

17/21 DATE OF NEXT MEETING The next meeting of the Committee would be 7 October 2021.

18/21 EXCLUSION OF THE PUBLIC FROM THE MEETING RESOLVED

that under Regulation 4 (2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the following items of business on the grounds that in view of the nature of the items of business, that if members of the public were present, exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 would be disclosed to them.

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC HAD BEEN EXCLUDED FROM THE MEETING

1. To receive declarations of interest (if any).
2. To confirm the exempt minutes of the meeting of the Committee held on 3 December 2020.
3. Verbal Update on East Midlands Global Gateway

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D2N2 LEP Update: October 2021

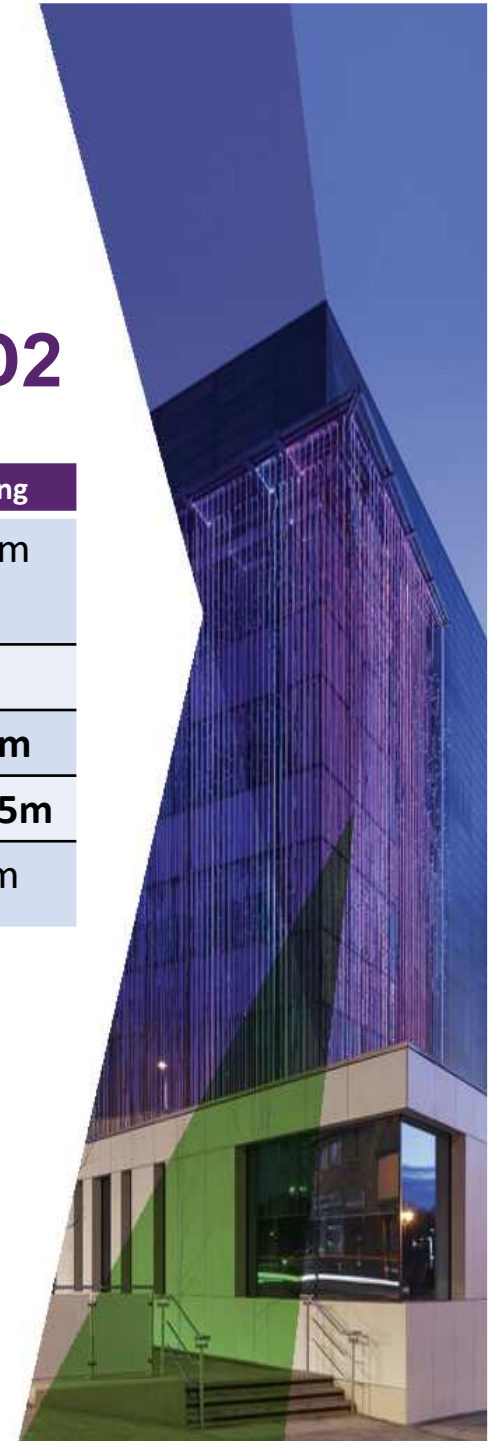
- Capital programme: Getting Building Fund
- Enterprise Adviser Network
- Skills: Digital Boot Camps
- Low Carbon: Hydrogen Task Force
- Other current work
- LEP review latest



Getting Building Fund Projects in D2

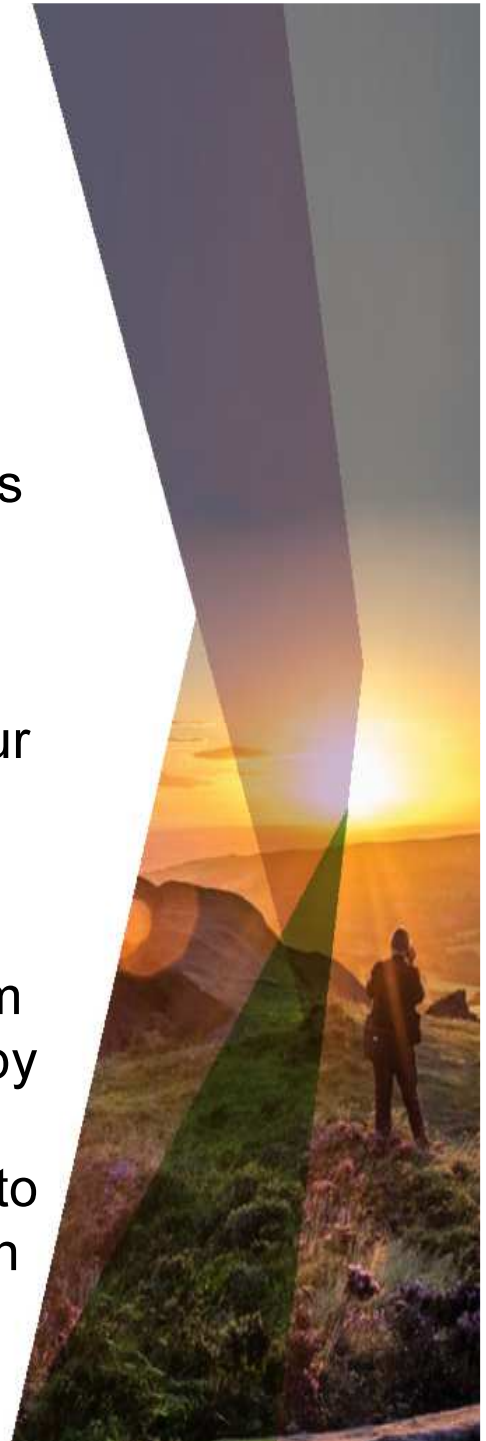
Project Name	Project Sponsor	Funding
Digital Advanced Manufacturing and Engineering Centre	Chesterfield College	£0.5m
Glossop Town Hall	High Peak	£2m
*Drakelow Park	Drakelow Developments	£2.6m
*MRC Midlands	Derby City	£6.85m
Smartparc	Derby City Council	£12m

* Approved at the D2N2 Board in September 2021



Enterprise Adviser Network

- Roll out of the successful North Derbyshire Careers Hub across D2N2 agreed and fully funded
- *Start in D2N2* [online resources for Derbyshire now live](#).
- 59 mainstream D2 schools out of 60 now part of our network, and many resources are available to all schools whether in the network or not
- New strategic partnership with DANCOP (Govt funded body to improve university applications from deprived areas) including targeted funding for Derby City
- Working with DfE and the Derby Opportunity Area to roll out lessons across D2N2 on how education can help tackle low social mobility



Skills: Digital Boot Camps

- A further £2m funding for short courses of c. 12 weeks.
- Building people's digital skills and fast-tracking a guaranteed interview with a local employer.
- Open to anyone aged 19+ in D2N2
- Courses include:
 - Digital Leader
 - Coding and software development
 - Digital Marketing
 - Advanced Data Analytics
 - Cybersecurity



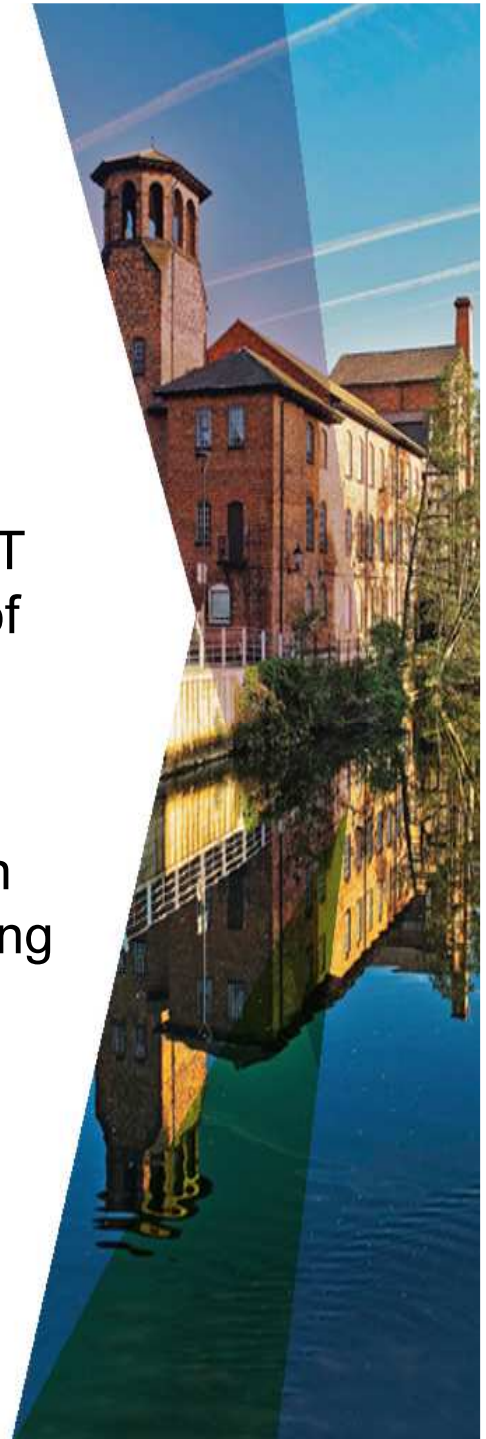
Low Carbon: Hydrogen Task Force

- To deliver on the priorities of '[Establishing a Regional Hydrogen Roadmap in Derby and the Wider Region](#)' - 5-year road map to support the Hydrogen economy's development and 15-20 years of priorities.
- D2N2 to lead on coordination, developing the investment proposition and industry adoption
- Outcomes on job creation and CO₂ reduction
- First task force to take place in October (date to be confirmed verbally at the Committee)



Current work

- International Trade Strategy in partnership with DIT
- Innovation Strategy – work chaired by University of Derby
- Manufacturing Advisory Panel – *Future is Now* campaign
- Single business survey pilot – reducing the burden on SMEs while increasing our shared understanding of need
- Analysis to disentangle the impacts of Brexit and Covid-19



LEP review latest

- LEP review continues, with the results expected to be rolled into or shared alongside the Levelling Up White Paper in the last week of October
- LEP Network Spending Review submission focused on levelling up, low carbon, SMEs and sector support
- D2N2 Board in November 2021 will take a view on the impact of the White Paper and LEP review



Q&A





DERBYSHIRE COUNTY COUNCIL
ECONOMIC PROSPERITY COMMITTEE MEETING

7th October 2021

**OVERVIEW OF NATIONAL BUS STRATEGY AND PROGRESS ON
DEVELOPMENT OF BUS SERVICE IMPROVEMENT PLAN FOR
DERBYSHIRE**

1. Purpose

- 1.1 To provide the D2 Joint Committee with an overview of the National Bus Strategy and an update on the development of the Bus Service Improvement Plan being produced in response.

2. Discussion / Decision Required by the D2JC

2.1 The D2 Joint Committee is recommended to:

- i) **Note the strategic implications of the National Bus Strategy.**
- ii) **Note the progress being made locally in developing an appropriate response to the challenges set out and in driving low carbon transport solutions for Derbyshire.**
- iii) **Identify key areas for potential development within the Bus Service Improvement Plan going forward.**

3. Information and Analysis

3.1 Background

On 15 March 2021, Government published the first National Bus Strategy for England. The main objective of the Strategy is to reverse the long-term decline in bus use nationally which has been exacerbated by the

impact of the COVID-19 pandemic. It aims to achieve this by making bus services more frequent, reliable, better co-ordinated and cheaper.

- 3.2 To enable this to happen, Government wants to see major improvements in a variety of areas including bus priority measures, vehicle emission standards, the provision of service information, simplified ticketing arrangements and the joint marketing of services. Government has committed to provide £3bn of new transformation funding nationally to help drive forward these improvements.
- 3.3 Central to these changes, the Strategy expects all local transport authorities (LTAs) in England, such as Derbyshire County Council and Derby City Council, to play a much bigger role than they do currently in the way bus services operate in their area. Under the existing deregulated model of bus provision which has been in place since the 1986, most services are provided on a commercial basis. This means it is the bus companies themselves who decide the route of the service, the timetable, fares, types of vehicle used etc, based on what they think makes the best commercial proposition.
- 3.4 It is only when bus companies feel there is not a commercial case to operate a route in a particular area, or time of day, that LTAs can become involved by specifying and funding additional services to fill gaps in commercial provision. Prior to the pandemic, approximately 80% of bus passenger journeys in Derbyshire were made on commercially operated services, with the remaining 20% of journeys taken on routes directly funded by the Council. In Derby City, this figure was approximately 99% of passenger journeys on commercial services and 1% on Council funded routes.
- 3.5 The Strategy expects all LTAs in England to replace this deregulated model in their area with one of two options: Franchising or an Enhanced Partnership.

Franchising - Under a franchise model, LTAs determine all the bus services which should be provided in their area, with bus operators bidding for the right to run them on a contractual basis. As a result, there would be no specifically commercial network. Although the franchising model gives LTAs full control of where and when buses operate, the fares charged etc, it also means the LTA is required to meet the overall cost of providing all the services in their area that are not met by passenger fares and other income.

Under current legislation, only Mayoral Combined Authorities (MCAs) have an automatic right to use franchising powers. For franchising to be

introduced in Derbyshire, the LTAs would need to develop a full business case setting out the reasons why this arrangement was desired and then apply to the Secretary of State for Transport for permission to receive these powers. To date, no non-MCA has decided to pursue this model and the franchising system is only operational in London. Greater Manchester is, however, actively developing plans to introduce franchising but it has taken nearly four years of work by Transport for Greater Manchester (TfGM) to reach the point where the final decision to commit to the franchise model has now been taken. It is anticipated that the first franchised services will start operating in Manchester in 2023 with the process being completed by 2025. TfGM anticipate the cost of introducing franchising in its area will be £135m.

Enhanced Partnerships - Enhanced Partnerships (EPs) are a new type of arrangement between LTAs and bus operators. The purpose of the EP is to create a formal, collaborative agreement between LTAs and bus operators to deliver bus improvement objectives. As part of an EP, the LTA and operators can set service standards, including the frequency of services along specific routes, the type of vehicle to be used and the availability of ticket products and payment methods.

Enhanced Partnerships also allow for integration between different modes of travel such as bus and rail, with more joint ticketing arrangements and better timetabling to allow interchange. An EP would therefore bring many of the benefits of a franchise in terms of providing a more joined up bus network, but would be cheaper to introduce for LTAs as the financial risk for running commercial services would still remain with the bus operators.

EPs would, however, still place significant obligations on the LTAs with the National Bus Strategy making it clear they would need to invest in significant bus priority measures, as well as upgrades to bus stop infrastructure. Other elements of EPs, such as establishing integrated ticketing arrangements, joint marketing of the network and improvements to information provision would also inevitably result in additional costs to the LTA.

At the Cabinet meeting on 17 June 2021 it was agreed that Derbyshire County Council would enter into an EP arrangement with all of the bus operators who provide services in Derbyshire. To meet the Government's requirements a formal notice of intent to do this was then published on the County Council's website and in a number of local newspapers. Similarly, Derby City also agreed to enter an EP arrangement in June.

3.6 Bus Service Improvement Plan

Prior to the EP starting on the 1 April 2022, councils must publish a Bus Service Improvement Plan (BSIP) by the end of October 2021. A BSIP needs to set out a high level vision for bus services in Derbyshire, the key interventions needed to deliver it and how these will achieve the overarching goal of increasing bus patronage after the pandemic as set out in the National Bus Strategy. The BSIP will also be used by the DfT to judge how much of the £3bn Transformation Fund each LTA in England will be allocated for future bus projects and support. In assessing the overall quality of BSIPs, the DfT will give particular weight to measures which support local bus markets as they emerge from the pandemic, such as proposals to improve service reliability.

- 3.7 As the DfT has given LTAs less than 6 months to produce a BSIP, its guidance has made it clear these do not need to be a very long or detailed documents. Therefore, information on issues such as timetable and route changes to specific services, proposed works at particular groups of bus stops or the introduction of a bus lane between point A and B should not form part of the BSIP. Instead its main purpose is to get partners thinking about what issues need to be addressed in the LTA area, to explore possible answers, and to provide an early basis for funding decisions in the autumn and winter in preparation for the financial year 2022/3 when transformational funding begins.

Derbyshire

- 3.8 In relation to Derbyshire, officers from the County Council's Public Transport Team are working in collaboration with bus operators, specialist transport consultants Systra, and other stakeholders to produce the BSIP. As part of process detailed discussions have taken place with officers from all the Borough and District councils across Derbyshire, Derby City and the Peak District National Park Authority to get a better understanding of their views on what is required. A public survey was also undertaken in July and August to find out the kind of improvements existing and potential new bus passengers would like to see.

3.9 Implications

Whilst a copy of the final draft of the Derbyshire BSIP is not yet available due to the constraints of the timetable set by the DfT, a summary of the key interventions proposed for inclusion are detailed below:

- A major expansion of the existing system which provides bus priority at traffic signals.
- A significant increase in the number of roadside Real Time Information signs at bus stops across Derbyshire and upgrades to

the joint D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) back office system which supports it.

- Measures to improve integration between different bus services and between bus and rail including improved information and the development of transport hubs at key locations to help bring services together.
- The introduction of a Bus Passenger Charter setting out what customers can expect on all services across Derbyshire; linked to this a Bus User Forum will be established.
- Joint marketing and information to create a unified Derbyshire wide network highlighting the breadth of services which are available.
- The introduction of new ticketing arrangements to make bus travel more affordable including a bus only county-wide all operator joint ticketing scheme and an enhanced young person's offer which will give improved benefits to more people than the current b_line card.
- Significant improvements to roadside shelters and other stop infrastructure including whole route upgrades with new arrangements to maintain, repair and clean bus stop infrastructure.
- Improvements in the frequency and hours of operation of key core services.
- An expansion in the number of areas where Demand Responsive Transport services are available.
- Introduction of more environmentally friendly buses including hydrogen powered vehicles.
- Review of car parking charges and action to reduce inconsiderate roadside parking and enforce traffic restrictions on bus routes, stops and at bus lanes.

3.10 A draft programme of how these different elements are introduced will form part of the BSIP but it is inevitable the interventions will take a number of years to fully implement. Whilst the BSIP document is being developed by the County Council it is not something that can be imposed on different groups – particularly the bus operators. Without their full and active support many of the proposals will be difficult, if not impossible to implement. The BSIP and EP arrangements must therefore be a true partnership between the various organisations. This will include the Borough and District Councils who have a particular role to play in relation to a number of key issues including parking policy, long term land use planning and in some cases roadside bus shelters.

3.11 At the same time as the BSIP has been developed, work has also been taking place to progress the formal Enhanced Partnership arrangements in Derbyshire. The National Bus Strategy requires each

EP to be jointly run by a board that represents the LTA, local bus operators and other stakeholders led by an independent chairperson.

3.12 Due to the very tight timetable set by Government for the submission of the BSIP it was decided, following discussions with the County Council Cabinet Member - Highways Assets and Transport, that the initial makeup of the board would be:

- Six representatives from the County Council, including the Cabinet Member and Support Member for Highways Assets and Transport and the Executive Director – Place.
- Six representatives from the bus companies who operate services across Derbyshire. These are Stagecoach Yorkshire and Trent Barton as the two largest operators in the County, Hulleys of Baslow and Midland Classic who are medium size companies and Ashbourne Community Transport and Derbyshire Community Transport representing third sector providers.
- An Independent Chair - Professor Margaret Bell from Newcastle University has agreed to take on this role. Professor Bell has significant academic and practical understanding of the transport sector in the UK and overseas. As a former resident of Long Eaton, she also has a good knowledge of Derbyshire and has been working with the Council and partners in the Transport and Infrastructure Covid Recovery Group for the last 16 months.

3.13 Once the BSIP is submitted, it is anticipated that the membership of the Board will change to include representatives from a variety of other stakeholders including representatives from passenger groups and borough and district councils.

3.14 The BSIP will be a living document, and the DfT guidance makes it clear that it should be revised at least every 12 months to ensure it remains relevant and that the plans are working as intended.

3.15 **Derby City**

Derby City has also employed consultants to work on its BSIP and final drafting of the document is now at an advanced stage. Many of the measures being proposed mirrors those in the Derbyshire BSIP including-

- Additional bus priority measures
- Enhanced information provision
- Measures to improve integration between different bus services and between bus and rail
- More integrated ticketing arrangements

- The introduction of a Bus Passenger Charter
- Improvements in the frequency and hours of operation of key core services.
- An expansion of Demand Responsive Transport services
- Introduction of more environmentally friendly buses

An enhanced partnership board has also been established with representatives from the City Council, the main bus operators Arriva, Notts and Derby and Trent Barton and passenger user groups.

Implications Going Forward

3.16 Clearly there is scope within the context of the EP for greater and better strategic discussion with all partners on how to improve bus travel across the D2 geography and in particular, how to ensure proposals deliver the intervention areas highlighted in the Economic Recovery Strategy. These include:

- The creation of mobility hubs in key locations across the county to support the integration of low carbon transport interchanges – pilot areas in Buxton and the Hope Valley have been identified and potential support from Midlands Connect has been secured.
- Opportunities for expansion in demand responsive travel across the whole D2 area
- Opportunities to install hydrogen refuelling infrastructure in key locations – this work is currently being overseen by the Low Carbon Task Force, chaired by Tony Walker and reporting to the D2 Economic Recovery Board.

3.17 It is also recognised that bus passengers pay no account to council boundaries when they make their journeys. So to ensure future cooperation between the County and City councils on the implementation of BSIP and EP arrangements, a draft Memorandum Of Understanding has been drawn up committing both organisations to work together to ensure account is taken of the impact cross boundary journeys when making decisions bus interventions – in particular, this would have great merit on proposals such as cross-boundary ticketing.

4 Recommendations

4.1 That the D2 Joint Committee is recommended to:

- i) Note the strategic implications of the National Bus Strategy.
- ii) Note the progress being made locally in developing an appropriate response to the challenges set out and in driving low carbon transport solutions for Derbyshire.

iii) Identify key areas for potential development within the Bus Service Improvement Plan going forward.

5 Background Papers

Bus Back Better, the National Bus Strategy for England
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/980227/DfT-Bus-Back-Better-national-bus-strategy-for-England.pdf

DERBYSHIRE COUNTY COUNCIL

D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY

7 OCTOBER 2021

**RENEWABLE ENERGY STUDY FOR DERBY
AND DERBYSHIRE**

(1) Purpose of Report

- 1.1 The purpose of this report is to inform the D2 Joint Committee (D2JC) of continued joint work that is taking place across Planning services to develop up to date and meaningful policies to help tackle climate change. The report also seeks to secure funding to support the current work and ensure its timely completion. Derbyshire).

(2) Discussion / Decision Required by the D2JC

2.1 The D2 Joint Committee is recommended to:

- i) **Note the progress made to incorporate climate change into planning policy.**
- ii) **Agree the allocation of £12,500 from the Retained Business Rate Pilot to match fund a renewable energy study covering Derby, Derbyshire and the Peak District National Park area.**

(3) Information and Analysis

Policy Context

- 3.1 Recent international and national reports have made it abundantly clear that we are at a critical time for action on climate change. The fate of future generations depends on our ability to take immediate and decisive action to deal with climate change and the latest Intergovernmental Panel report illustrates the vital need to reduce climate change emissions now by transforming our energy systems.
- 3.2 The UK has a legal commitment to bring all greenhouse gas emissions to net zero by 2050 with a minimum 78% reduction by 2035 compared to 1990 levels. Derby and Derbyshire must play its part in this by reducing emissions and increasing renewable energy generation.

- 3.3 Local planning authorities are bound by the legal duty set out in Section 19 of the 2004 Planning and Compulsory Purchase Act, as amended by the 2008 Planning Act, to ensure that, plan policy contributes to the mitigation of, and adaptation to, climate change. This outcome-focused duty on local planning clearly signals the priority to be given to climate change in plan-making.
- 3.4 In planning for renewable energy, paragraphs 155, 156 and 158 of the National Planning Policy Framework encourage local authorities to take a positive approach by identifying suitable areas for renewable energy generation and its supporting infrastructure, and by maximising the opportunities for community-led and decentralised energy production. Spatial planning plays a central role in the transition to a low-carbon society and in setting the framework for this infrastructure.
- 3.5 Local planning authorities produce local plans, minerals and waste plans and transport plans and are therefore uniquely positioned to take a leading role in tackling climate change and integrate proposals for energy infrastructure through these various planning documents, helping reduce greenhouse gas emissions and encouraging renewable energy generation.
- 3.6 There is already a strong, common platform of support for work in this area as each of the district, borough, County, City and National Park authorities have either declared a climate change emergency or adopted an alternative motion to address climate change and in doing so, have also worked closely to develop the Derbyshire Environment and Climate Change Framework.

Proposal

- 3.7 It is proposed to commission a Renewable Energy Study to enable future energy requirements and generation typology to be identified including their preferred spatial locations. This study would provide the evidence to ensure renewable energy and climate change is embedded in both planning policy and new development within Derbyshire and guide the location of future renewable energy schemes. This study would therefore support the local planning authorities' aspirations to reduce emissions.
- 3.8 The Study will provide key information and a clear evidence base, the need for which has been identified both in the Derbyshire Climate Change Strategy and through collaborative working on climate change by Derbyshire local planning authorities which evolved from the Vision Derbyshire Planning Policy and Climate Change workstream.
- 3.9 Ten out of 12 local plans in Derby and Derbyshire (including the Minerals and Waste Local Plans) are currently being replaced or are in a review process and it is therefore an opportune moment to: develop a Derbyshire-wide understanding of how much energy is needed; where renewable energy generation developments could be located; and the potential energy generating

capacity from renewable sources that may exist in Derbyshire. The special natural and built environment qualities of Derbyshire will have a significant bearing in shaping the future potential for, and spatial location of, renewable energy projects and will form an important element of the Renewable Energy Study for the county.

3.8 To highlight this issue, there has recently been a significant number of speculative planning applications within the county for substantial solar farms and there is little or nothing in the current Local Plans in terms of up-to-date evidence to guide the acceptable location of such developments.

3.9 By delivering a timely Renewable Energy Study at a Derby and Derbyshire level this would allow best practice, effectual climate change policies which are grounded in a robust evidence base to be incorporated into local plans. It would provide virtually full coverage of Derby and Derbyshire by the end of 2023 (subject to examination), provide a consistency of approach across the county and create a framework within which renewable energy can be encouraged.

3.10 In summary, the production of a Renewable Energy Study will provide the following multiple outputs, allowing all the authorities to:

- Understand Derbyshire's (including Derby City) future energy requirements for power, heat and transport
- Understand the potential for renewable energy generation by typology in Derby and Derbyshire
- Provide a robust evidence base to inform the production of a collaborative Climate Change Supplementary Planning Guidance document which will inform and support local plan policy development across Derby and Derbyshire and provide transferable outputs.
- Identify the preferred spatial locations for renewable energy generation typologies within the context of locational constraints such as landscape or environmental designations; and where renewable energy generation could support proposed residential or employment development.
- Identify grid and infrastructure issues and constraints
- Support existing understanding of potential job generation and skills requirement
- Consider future trends and innovation in energy use, generation and storage
- Explore the impact on the viability of new developments which will have to incorporate new technologies
- Provide model policy wording which could be transferred to other areas.

3.11 This Renewable Energy Study will also compliment the recent study by Arup commissioned by Derby City which provides a strong baseline on opportunities around potential hydrogen as an energy source for the region and sets out a roadmap of how that could become a reality. The study also carefully assesses potential locations for production, distribution, and storage of hydrogen.

- 3.12 The Study will cost in the region of £50,000 having been benchmarked against other projects. A successful application for £25,000 funding has been made to the Midlands Energy Hub (MEH). A further successful application of £12,500 has been made to D2N2 LEP's Energy Board which can be used as match funding against the MEH funding. A final £12,500 now needs to be secured to reach the £50,000 required to enable the project to move forwards.
- 3.13 Given the county-wide nature of this work and the potential positive impact for all local authorities in providing a strong evidence base to support the planning process, it is proposed that the Retained Business Rate pilot be utilised as a source of funding. The fund is held/ managed by the Joint Committee and currently has a remaining budget of £940,000. A similar decision to support county-wide work on the Festival of Business through use of the Retained Business Rate fund was made at the previous D2 Joint Committee.

(4) Recommendations

- 4.1 In the context of the above, the D2 Joint Committee is asked to approve the allocation of £12,500 from the Business Rate Retention Pilot fund towards a joint Renewable Energy Study for the D2 area, to match fund the £37,500 secured from the D2N2 LEP and Midlands Energy Hub.

DERBYSHIRE COUNTY COUNCIL

D2 JOINT COMMITTEE FOR ECONOMIC PROSPERITY

7 OCTOBER 2021

**PROPOSAL TO DEVELOP A NON-STATUTORY STRATEGIC
PLANNING FRAMEWORK FOR DERBY AND DERBYSHIRE –
PROGRESS UPDATE AND WAY FORWARD**

(1) Purpose of Report

- 1.1 The purpose of this report is to update the D2 Joint Committee (D2JC) on a number of recommendations that were agreed at its meeting on 4 March 2021 regarding the progression of joint work by the D2 partners to deliver a non-statutory Strategic Planning Framework for Derby and Derbyshire (SPF).

(2) Discussion / Decision Required by the D2JC

2.1 The D2JC is requested to:

- i) **Note the formal decisions taken by Members of the D2 partner authorities on whether to engage in further joint working to progress a non-statutory SPF (as set out below);**
- ii) **In the context of those decisions, to consider and agree whether:**
- **To cease all further joint working to progress the SPF;**
 - **To pause further joint working on the SPF pending the publication of the Planning Bill and Levelling Up White Paper and clarification from Government on its proposals for the future of strategic planning and strategic plan making;**
 - **To progress the SPF on the basis of those partner authorities who wish to participate in further joint working to progress the Framework.**

(3) Information and Analysis

- 3.1 On 4 March 2021, the D2 Joint Committee considered a report by Derbyshire County Council's Executive Director – [Place], setting out the progress that had been made since mid-2019 by the D2 partner authorities in jointly progressing a non-statutory Strategic Planning Framework (SPF). The report noted that partners had drafted documents setting out Key Emerging Strategic

Themes for possible consideration in the SPF; Draft Terms of Reference (ToR) for the D2JC setting out its roles and responsibilities for providing strategic oversight and governance for the development and delivery of the SPF; a Statement of Common Ground to guide and underpin development of the Framework, including key, agreed principles for joint working; and provision of a Strategic Evidence Base to inform the development of key issues, objectives and priorities for inclusion in the Framework.

- 3.2 The D2 Joint Committee discussed a number of recommendations set out in the report that included:
- i) Noting the progression of further joint working by the D2 partners to deliver a non-statutory SPF as set out in the report;
 - ii) Endorsing a Draft ToR for the D2 Joint Committee of key roles and responsibilities to provide strategic oversight and governance for the delivery of the SPF;
 - iii) Endorsing a draft Statement of Common Ground that had been developed by the D2 partners to underpin the Framework and key principles for joint working to deliver it; and
 - iv) Endorsing the opportunity for the D2 partners to report the SPF to their respective members on planning committees or planning boards to seek formal endorsement to progress further joint working to deliver the Framework.
- 3.3 Following discussion at the meeting, the Committee considered that, as a significant amount of information had been appended to the report for their consideration, particularly relating to the ToR and SoCG, partner authorities should have more time to consider the ToR and SoCG in detail and that both of these documents should be reported to each partner's respective Members as part of their consideration of recommendation iv) in the report as above, which was agreed by the Committee.
- 3.4 Over the intervening six months, most of the partner authorities have reported the SPF to meetings with their respective Planning Committee or other Members seeking formal endorsement for their authorities to engage in further joint working to progress the SPF. A briefing paper on the SPF was prepared by D2 officers to inform reports to respective Member meetings, to ensure consistency of approach.

A summary of the outcomes of these Member meetings and the decisions reached is set out below.

Amber Valley Borough Council

- 3.5 A report was considered by Amber Valley Borough Council at their Full Council meeting on 24 March 2021. At that meeting, Full Council noted the progress made so far by the local authorities across Derby and Derbyshire in

preparing the SPF and to enable continued progress to be made, Full Council resolved to:-

- *confirm its support for continued joint working with the other local authorities across Derby and Derbyshire to deliver the SPF;*
- *endorse the Draft Terms of Reference and Statement of Common Ground; and*
- *to authorise the Leader of the Council to write to Derbyshire County Council on this basis.*

Derby City Council

- 3.6 A letter was received from Chris Poulter, Leader of Derby City Council, on 5th July 2021 which stated that:

I believe that a non-statutory SPF for the D2 area could be a useful document but Derby City Council has always been clear that it should not establish policy 'from the top down'. Rather it should be built up from individual local authorities and HMA partnerships. Whilst I understand that Derbyshire County Council understands this, I have increasing concerns of a more 'policy-on' driven approach. I am unclear about the precise scope and nature of the document when finished. I have given this careful consideration but no longer feel able to support the preparation of a County-wide SPF, at least in its current form.

I understand that these concerns are shared by other Local Authorities and that some have already indicated that they do not wish to continue participating. I strongly believe that the SPF will only be useful if it covers the whole of Derby and Derbyshire and all D2 local authorities are involved. As this is no longer appears to be the case, I believe that work on the Framework needs to take a step back and to take stock.

As I say, there can be a role for a County-wide SPF, if all the Local Authorities are included and the scope and intent are clarified. Such a document would need to be limited to something which knits together the strategic policies and proposals of existing Local Plans to give a County-wide picture.

I cannot support anything that would go further than this.

Derbyshire Dales District Council

- 3.7 A response was received on 26th March 2021 on behalf of Councillor Gary Purdy, Leader of Derbyshire Dales District Council as follows:

I am writing to confirm on behalf of Derbyshire Dales District Council that I:

- i) **Agree** to the continued participation of Derbyshire Dales District Council in further joint working to prepare a Non-Statutory Strategic Planning Framework for Derby and Derbyshire subject to iv) below;
- ii) **Agree** the Draft Terms of Reference for the D2 Joint Committee setting out its key roles and responsibilities for providing strategic oversight and governance for the delivery of the Strategic Planning Framework;
- iii) **Agree** the Statement of Common Ground (SoCG) that has been developed to underpin development of the Framework and set out key principles for joint working to deliver it;
- iv) Derbyshire Dales District Council will, as considered necessary report the Strategic Planning Framework to Council or Policy Committee to seek Members' formal endorsement.

Erewash Borough Council

- 3.8 Notification was received from the Head of Planning & Regeneration at Erewash Borough Council on 9th April 2021 that a report on the SPF was considered at the Borough Council's Extraordinary Council Meeting on 25th March 2021 and that the minute book of Erewash Borough Council records the following, as concluded at Extraordinary Council on 25th March 2021:

Council considered a report of the Chief Executive which advised of proposals for and progress on a Strategic Planning Framework for Derby and Derbyshire. The report considered the implications for Erewash's Core Strategy and planning responsibilities and sought direction from Council regarding further engagement and participation in the initiative.

It was moved by Councillor Powell, seconded by Councillor Mrs Hart and it was:

RESOLVED that the Strategic Planning Framework for Derby and Derbyshire not be supported.

High Peak Borough Council

- 3.9 Confirmation received from High Peak Borough Council on 9th September 2021 that a further report will not be presented to Members to seek approval for the Borough Council's participation as the framework is non-statutory. The Borough Council's Officers will continue to work with the County Council and other partners authorities on it though.

South Derbyshire District Council

- 3.10 A report by the Strategic Director - Service Delivery was presented to South Derbyshire District Council's Environment and Development Services

Committee on 27th May 2021 on the SPF. The following recommendations in the report were agreed by the Committee:

- 1.1 *That the Committee resolves that South Derbyshire District Council will not become part of the Strategic Planning Framework in its present form.*
- 1.2 *That the Committee requests that a letter be written to Derbyshire County Council, setting out the points made in the Conclusion below, appending this report.*

The conclusion to the report indicated that:

- 8.1 *DCC has a role to play in facilitating joint working across the County, aligning strategic planning aims through involvement in the formation of statements of common ground between authorities, and maintaining the DtC. Aspects of the work required for the SPF's production are, in themselves, welcome, for example the coordination of evidence gathering.*
- 8.2 *However, there are concerns over other aspects of the SPF, for example those relating to housing need, as well as the manner and scale of the SPF's production and the destabilisation of the local plan process that it could lead to. Housing Market Areas (HMAs), as opposed to county boundaries, have been the bedrock of strategic planning for the best part of 20 years; the Government consultations referred to in paragraph 4.3 above have not altered this fundamental basis of planning, which is rooted in the Duty to Cooperate. Furthermore, the Statement of Common Ground contains numerous undertakings which have not yet been individually appraised by the Council as to their achievability. For these reasons, and those set out in paragraphs 4.9 and 4.16 – 4.19 above, it is recommended that the Council does not formally become part of the SPF in its current form. The Council will continue to cooperate with the County Council as a key partner whilst addressing cross-boundary strategic planning issues that extend beyond Derbyshire.*

Other Local Authority Partners

- 3.11 At the time of drafting this report, confirmation is awaited from Bolsover District Council, Chesterfield Borough Council, North East Derbyshire District Council and the Peak District National Park Authority of any decision that their respective Members may have taken as to their Authority's participation in progressing the Framework.

Implications of Planning Bill and Levelling Up White Paper

- 3.12 In August 2020, the Government published its *Planning White Paper: Planning for the Future*, which set out proposed, wide-ranging reforms to the planning system in England, including proposed reforms for the local authority development plan-making system. In this context, however, the White Paper was largely silent on any proposals the Government may have for the future

role of strategic planning and strategic plan making in the reformed system and also proposed to abolish the 'Duty to Cooperate' which has been a key mechanism in recent years for ensuring that local planning authorities cooperate on key cross-boundary strategic planning and infrastructure matters that impact on their areas. Since publication of the Planning White Paper, little, if any, Government thinking about the future of strategic planning has emerged through either official or unofficial sources. It is anticipated, however, that the Government's proposals for the future of strategic planning and strategic plan making, are likely to be set out in the forthcoming Planning Bill, which is expected to be published in the Autumn 2021.

- 3.13 In addition to the above, it was announced in the Queen's Speech on 11th May 2021, that the Government proposed to publish a Levelling Up White Paper in the Autumn of 2021 that will also include the Government's proposals for devolution. It is possible that Government proposals for the future of strategic planning and strategic plan-making may also emerge through the Levelling Up White Paper.
- 3.14 In the context of the above, therefore, the future of strategic planning and strategic plan making is uncertain at present time, which is a key consideration in whether the SPF should be progressed at this moment in time.

Implications of Derbyshire Local Plan Preparation

- 3.15 When consideration was initially being given by the D2 partners to the preparation of a non-statutory SPF for Derby and Derbyshire in mid-2019, most of the partner authorities' Local Plans or Core Strategies had either already been adopted or were progressing towards adoption. At the time of writing this report, Local Plans have now been adopted in Bolsover District, Chesterfield Borough, Derby City, Derbyshire Dales District, Erewash Borough, High Peak Borough and South Derbyshire District. In 2019, therefore, the likelihood of full adopted Local Plan coverage of Derby and Derbyshire in 2021/22 was seen as being a potential window of 'opportunity' to prepare a SPF that would complement and run in parallel to the preparation of Local Plan Reviews (that most of the partners have now commenced early work on), and to set out a range of agreed strategic objectives and priorities of all the D2 partners that would inform a consistent approach to the preparation of those D2 Local Plans. It was intended that the short to medium term elements of the SPF were taken from existing Local Plans to avoid any conflict, with the longer-term joint aspirations (up to 2050) being used to inform future local plan development.
- 3.16 However, preparation of a SPF at the same time as most of the partners are progressing reviews of their Local Plans and Core Strategies, has raised significant concerns amongst a number of the D2 partners relating particularly to the potential officer and financial resource implications of preparing both a Local Plan and SPF in parallel. Other concerns have been raised that there may be potential for developers and / or site promoters to seek to exploit any inconsistencies between the SPF and emerging Local Plan Reviews and their status – one being non-statutory and the other statutory; that Housing Market

Areas (HMAs) are still the most appropriate geography over which to consider cross boundary strategic planning matters rather than a county-wide geography; and the potential for confusion for stakeholders, particularly members of the public, regarding the preparation of two separate development plans covering their areas.

Conclusions

- 3.17 In the context of the above, it is clear there is no longer unanimous support from all the D2 partners for the preparation of the SPF with three key strategic local authority partners (Derby City, Erewash Borough Council and South Derbyshire District Council) indicating their desire not to support or participate in further joint working to progress the SPF, at least in its current form. It is considered that the success of the Framework and its likely future status and worth is very much dependent on all the D2 partners participating in joint working to progress on a county-wide geography but based on HMAs. Progressing the Framework on the basis of just the D2 partners who support and wish to participate in progressing it, does not appear to be an option worth pursuing, largely due to the fragmented geography that would remain.
- 3.18 Significant uncertainty remains at the national level at the current time over the Government's future proposals, if any, for strategic planning and strategic plan making, that may be clarified if due course through the publication of the Planning Bill and / or the Levelling Up White Paper.
- 3.19 Significant concerns have been expressed by a number of the D2 partners about the timing of the preparation of the SPF running in parallel with the preparation of their Local Plan Reviews and the complexity of issues and difficulties that may raise as highlighted in paragraph 3.16 above.

(4) Recommendations

- 4.1 In the context of the above, the D2Joint Committee is asked to consider three potential options for the future of the SPF and to agree the most appropriate option as follows:
- i) To cease all further joint working to progress the SPF;
 - ii) To pause further joint working on the SPF pending the publication of the Planning Bill and Levelling Up White Paper and clarification from Government on its proposals for the future of strategic planning and strategic plan making;
 - iii) To progress the SPF on the basis of just those partner authorities who wish to participate in further joint working to progress the Framework.

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