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PUBLIC

To: Members of Cabinet Member meeting - Economic Development and Regeneration

Wednesday, 27 November 2019

Dear Councillor,

Please attend a meeting of the **Cabinet Member meeting - Economic Development and Regeneration** to be held at **10.00 am** on **Thursday, 5 December 2019** in Committee Room 4 at County Hall, Matlock, DE4 3AG, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Emma Alexander'.

Emma Alexander
Executive Director
Commissioning, Communities and Policy

A G E N D A

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 Cabinet Member – Economic Development and Regeneration held on 7 November 2019

4. To consider the report of the Executive Director of Economy, Transport and Communities on Invest in D2N2 Project Extension - Delivering and Developing "Invest in Derbyshire" Inward Investment Service (Pages 7 - 12)

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MINUTES of a meeting of the **CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND REGENERATION** held on 7 November 2019 at County Hall, Matlock

PRESENT

Cabinet Member – Councillor T King

Also in attendance – Councillors G Hickton and R Mihaly

12/19 PETITION Mr Frank Adlington-Stringer attended in person to present his petition to the Cabinet Member to:

- i. declare a climate emergency;
- ii. make the County Council carbon neutral by 2030 and call on the government for resources and means to achieve aforementioned neutrality;
- iii. revise current and future local plans to adhere to the climate emergency;
- iv. publicise this climate emergency declaration to residents and businesses in Derbyshire, to encourage, support and enable the community to take action to reduce their carbon emissions in line with the 2030 report; and
- v. inspire the Government to be ambitious in its plans and encourage it to achieve national carbon neutrality by 2030 alongside limiting global warming to less than 1.5 degrees Celsius.

RESOLVED (1) to receive and note the petition; and

(2) to forward the petition to the Executive Director – Economy, Transport and Environment to investigate and consider the matters raised.

13/19 MINUTES RESOLVED that the minutes of the meeting held on 10 October 2019 be confirmed as a correct record and signed by the Cabinet Member.

14/19 BUDGET MONITORING 2019-20 – PERIOD 5 The Cabinet Member was provided with an update of the Revenue Budget position for 2019-20, up to the end of August 2019.

The net controllable budget for the Economic Development and Regeneration Portfolio was £0.701m. The Revenue Budget Monitoring Statement, prepared at Period 5, indicated that there was a projected year end underspend of £0.152m. The areas which made up this projection were detailed in the joint report.

Details of the Earmarked Reserves, totalling £0.832m, were currently held to support future expenditure. The Cabinet Member was asked to note that £0.100m of quoted figures had now been moved to the Central Reserve.

RESOLVED to note the report with the amendments stated.

15/19 TOYOTA CITY PARTNERSHIP UPDATE The Cabinet Member was given a half yearly update on the work and progress of Toyota City Partnership Development Board (TCPDB) against the approved Action Plan 2019-20.

Economy - Most of the activity was scheduled to take place in the second half of this year when representatives from TCPDB would promote Derbyshire businesses at a Business Convention in Toyota City. Preparations for this event were well underway.

On 10 October 2019, representatives from over 50 businesses attended an “Exporting to Japan” event organised by Derbyshire Economic Partnership (DEP), in partnership with the Department for International Trade. The focus of the event was on practical support for UK and Derbyshire businesses exporting to Japan and to publicise the support available from the various sources, including the County Council. Feedback from delegates was very positive with many highlighting that the culture and etiquette insight was useful, as well as the practical tips of exporting to Japan. Many commented that more and similar events were required for other trade markets.

Education - The relationship between the Universities of Derby and Chukyo had been further cemented through a memorandum of understanding signed by both Vice-Chancellors. The mutual collaboration would extend student experience, develop joint research programmes and develop joint programmes for post graduate study. The first joint PhD research would be in the area of ‘nature connectedness’, linked with the environmental project proposal.

The Toyota City Junior High School pupil exchange took place in September with 27 pupils aged 14/15 years visiting Derbyshire. The visits were to Pingle Academy and John Port Spencer Academy and both schools were interested in a full exchange the next year, with Derbyshire pupils going to Toyota City.

The Derby-Japanese School has been renamed the Derbyshire-Japanese School following the longstanding support from the County Council and had relocated to John Port Spencer Academy in Etwall. Over 100 students attend the school on Saturdays, from 19 Japanese companies, mainly in the East Midlands. The school massively supported Japanese inward investment and had strong links with a Derbyshire school, the University of Derby and Burton and South Derbyshire College.

Culture - The Japanese Embassy in the UK was promoting a Japanese Season of Culture in the UK between the Rugby World Cup 2019 in Japan and the Olympics/Paralympics in 2020. Representatives of TCPDB visited the Embassy with a proposal to run a Season of Japanese Culture in Derbyshire and Derby which was warmly received.

The interest in Derbyshire and Derby had been lively. The Season was opened by Ambassador Tsuruoka at the Derby museum showing Japanese woodblock prints on loan from the Ashmolean museum. The local programme continued to grow and enabled the promotion of local events, including an art installation at Belper North Mill, in the national programme.

The TCPDB had a stall at Chatsworth Country Fair for the second year running for three days in late August/early September 2019, which promoted Japanese culture and the relationship between Derbyshire and Toyota City. Over 2,500 postcards promoting the Season of Japanese Culture in Derbyshire were distributed.

A Derbyshire-Japan Society to promote cultural experience, foster friendship between Derbyshire and Toyota City people and generate more 'grass root' opportunities had been formed with over a hundred people already signed up. Toyota City Council was also organising a home stay for members of Derby Hot House saxophone orchestra to visit schools in the city when they travelled to Japan to play outside the Olympic Stadium.

Environment - Toyota City was an environmental champion in Japan through its Ecoful Town project. A similar project proposal was being developed with the National Forest Company taking the lead, to create a research project on sustainable work and lifestyles based in Toyota City. The intention was to make links with the nature connectedness research in Chukyo University.

It was an ambition of the TCPDB to send a colleague to live and work in Toyota City to work on a specific project and promote other TCPDB collaborations. A small team was working on this proposal.

As part of the Season of Culture, the TCPDB was helping the National Forest Company to develop a Japanese theme in the next Timber festival. Japanese businesses had gifted Sakura Cherry trees to the UK. Sixty three schools in Derbyshire made successful applications for a tree and a further 100 trees were divided between Shipley Park, Besses Recreation Park in Derby and Swadlincote. The trees were due to arrive in November 2020.

Sport - The TCPDB ran a small campaign to create links between the Rugby World Cup 2019 in Toyota City and Rugby teams in Derby/Derbyshire. Photos, team shirts and a signed England Rugby ball were used in a public exhibition at Toyota City during the Rugby World Cup.

The TCPDB continued to seek Olympians and Paralympians to become linked with Toyota City during the games, with Team GB's Women's Football

invited by Mayor Ota to watch a training session and other athletes to visit Toyota City.

RESOLVED to (1) note progress on the Toyota City Partnership Development Board's action plan for 2019-20; and

(2) receive further updates on a six monthly basis.

16/19 OFFICE FOR LOW EMISSION VEHICLES – ON-STREET RESIDENTIAL CHARGEPOINT SCHEME Derbyshire County Council had submitted an application to OLEV for 75% grant funding (25% to be matched by the Concessionaire, BP Chargemaster) to install 22 dual, fast EV charge points in the Derbyshire Dales District Council (DDDC) and High Peak Borough Council (HPBC) local authority areas. The units would be located in six car parks owned by the authorities in close proximity to residential areas which lacked off-street car parking:

High Peak Borough Council

Edward Street, Glossop
Parking on Victoria Park Road (adj shops), Buxton
Anchor Fold, Chapel-en-le-Frith

Derbyshire Dales District Council

Shawcroft car park, Ashbourne
Edgefold Road, Matlock
New Street, Bakewell

Primary benefits include providing electric vehicle charging provision for residents in these localities who do not have access to off-street car parking. This could enable residents to make the switch to electric vehicles and contributing to improved local, regional and national air quality standards. If successful, the project would contribute to reduced CO2 emissions, in line with the Council's ambition to achieve net zero CO2 emissions by 2050, as part of its Climate Change and Carbon Reduction Manifesto which was launched earlier this year and formed part of the Council's Low Emission Vehicle Infrastructure Strategy which would feed into the overarching Environment and Climate Change Framework.

The proposed car parks listed had been identified as suitable for development of LEV infrastructure through active discussion with both HPBC and DDDC. Comprehensive assessments had been undertaken by the Concessionaire, BP Chargemaster, to confirm suitability, particularly regarding connectivity to the appropriate networks controlled by the District Network Operators (DNO's), Western Power and Electricity North West.

The Energy Savings Trust (EST) was overseeing applications on behalf of OLEV; successful applicants would be informed by the end of November 2019. If successful, the Council were looking to use the D2N2 Concession

Delivery Agreement and engage with BP Chargemaster from December 2019 onwards. Full installation of the electric vehicle charge points was hoped to be completed by the end of March 2020. On-going management of the project would be by the ESG.

It was anticipated that successful local authorities would receive payment within approximately 25 working days on completion of the project. The Concessionaire, BP Chargemaster, had agreed to request 100% payment only on completion and commissioning of all installations, with payment terms of 30 days. There was therefore, a risk that the Council would not receive payment in full from OLEV before it was required to pay the Concessionaire.

The Council was also required to make appropriate arrangements with the Concessionaire to collect and submit data from each installation on a quarterly basis and in arrears. Failure to comply with this requirement may result in OLEV reserving the right to require repayment of grant funding.

Appropriate host license agreements signed between the Concessionaire, BP Chargemaster, and HPBC and DDDC, would be entered into: these agreements remove any risk or liability on Derbyshire County Council in terms of damage to land, cost over-run, etc.

All costs would be met from the successful grant funding bid from OLEV and the 25% contribution from BP Chargemaster. The grant funding application was capped at £100,000, with some flexibility in this for larger county councils however full, accurate costings were not available. Based on Nottingham City Council's best estimate it was considered the total value of the application would be approximately £241,500 - less BP Chargemaster's 25% contribution of £63,500 equalling £183,000.

RESOLVED to (1) accept the grant from the Office for Low Emission Vehicles as detailed in the report, should the application be successful; and

(2) the use of the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Concession Delivery Agreement.

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DERBYSHIRE COUNTY COUNCIL

**CABINET MEMBER MEETING – ECONOMIC DEVELOPMENT AND
REGENERATION**

5 December 2019

Report of the Executive Director – Economy, Transport and Environment

**INVEST IN D2N2 PROJECT EXTENSION – DELIVERING AND
DEVELOPING “INVEST IN DERBYSHIRE” INWARD INVESTMENT
SERVICE**

(1) Purpose of Report

To provide the Cabinet Member with an update on the European Regional Development Fund (ERDF) “Invest in D2N2” (Derby, Derbyshire, Nottingham and Nottinghamshire) project and report on the progress of the Derbyshire Economic Partnership (DEP) “Invest in Derbyshire” service over the past 12 months. Also to approve the continuation of the partnership grant agreement (delivery contract) with Marketing Derby for a further 12 months and note the proposals for managing delivery and performance.

(2) Information and Analysis

The “Invest in D2N2” Inward Investment project was awarded an ERDF grant in November 2016 of £1,041,254 against a total project cost of £2,082,508. The project was delivered in collaboration with DEP, Marketing Derby, Destination Chesterfield and Marketing Nottingham and Nottinghamshire, with Nottingham City Council being the accountable body. At the meeting on 31 January 2017, Cabinet approved match funding towards the project and agreed the final terms of the required Partnership/Collaboration Agreements for the delivery of the project (Minute No. 31/17 refers).

The £90,000 match funding from Derbyshire County Council (secured through the DEP budget) was used to lever in ERDF funding to deliver a full programme of activity across Derbyshire during 2016-19. The aim of the project was to carry out a series of activities to support businesses looking to relocate or start up in the D2N2 area. The project also provided the opportunity for organisations across Derbyshire to establish a more co-ordinated approach to activity and pro-actively develop a new and more dynamic inward investment service for the County.

For the D2 (Derby and Derbyshire) area, it was agreed to enter into a partnership grant agreement with Marketing Derby to deliver project activity on behalf of the Council and DEP. This included appointment of a dedicated

‘inward investment executive’ funded by the project to work alongside the existing DEP Investment Co-ordinator. The benefits of contracting delivery to Marketing Derby were considered to be substantial given the reputation of the organisation around investment promotion and the level of management resource required to support the new post holder and other elements of the project. The arrangement provided a more responsive, local service working alongside contacts in borough and district authorities and enhanced marketing activity through events, publications and digital media.

The grant agreement between Derbyshire County Council and Marketing Derby was signed in May 2017 and enabled joint project activity to be procured through one central point. The agreement has been reviewed annually.

A specific work package was developed for delivering “Invest in Derbyshire” and a strategy document “Delivering Inward Investment in Derbyshire 2017-19”, endorsed by the DEP Board. The project reported to the DEP Board as a standing item and an Inward Investment Steering Group was established (reporting to DEP), chaired by the Cabinet Member, which monitored delivery of the project against the agreed strategy.

The impact of the project and the extra resource received very positive feedback from district/borough council and private sector partners and culminated in May 2019 with the formal launch of the new “Invest in Derbyshire” brand and website. A considerable body of activity was delivered and the detail is provided below.

Achievements to Date

The programme of activities from the first three years of the ERDF project have proved highly effective, with the Derbyshire element of the project achieving or over achieving on the spend and output targets.

The outputs that have been achieved for Derby and Derbyshire are as follows:

Output	Target	Achieved
C1 - Number of enterprises receiving support	45	45
P13- Number of enterprises receiving information, diagnostic and brokerage support	69	69
C4- Number of enterprises receiving non-financial support	45	45
C5- Number of new enterprises supported	11	11
C8- Employment increase in supported enterprises	86.05	111.78

The project has delivered key actions set out in the Strategy, effectively raising the profile of Derbyshire as an investment destination and establishing “Invest in Derbyshire” as a tailored service for all enquiries, regardless of size and sector.

Key achievements for Derbyshire include:

- New branding and website – following a soft launch of the new branding at MIPIM 2019, the new service and website was formally launched in May 2019 and is now fully operational www.investinderbyshire.co.uk/
- Library of investment images – the project commissioned a bank of over 200 professional photographs to be used as part of marketing collateral. The images include development sites, town centre/retail, transport links, leisure, business and education.
- Invest in Derbyshire Film – the key place promotional film is available on the website and is now used widely at events and social media promotion
- Marketing collateral - A new Derbyshire development map has been created in collaboration with District Council partners. The new map is in line with the Invest in Derbyshire branding and includes key site updates. A digital PDF version of the map is available on the Invest in Derbyshire website and professionally printed copies are also available. In addition, separately branded development maps have been developed for each district.
- Pitchbook for investors – highlighting key development sites across Derbyshire, the pitchbook has been presented across a range of national and international audiences including recent D2 delegations to China.
- Showcase at local, national and international events including MIPIM, Sitematch, Chesterfield Investment Summit and Hillhead exhibition.

Aside from the ERDF outputs, there have been 70 additional investment enquiries of which 41 are currently live.

Next Steps

Following the success of the first phase of the “Invest in D2N2” project, an application was made to the Ministry of Housing, Communities and Local Government (MHCLG) to extend the project for a further three years. The funding application for the project extension was for £3,230,666 with 50% of this funded through ERDF. The DEP element of this funding package is £355,855.

On 9 May 2019, the Cabinet Member approved £177,928 match funding to support delivery of the “Invest in Derbyshire” service through the project extension. Alongside this, approval was also given to prepare a new agreement with Marketing Derby to manage and deliver the extended project, subject to development of a new delivery plan for the contract period (Minute No.04/19 refers).

The application for the project extension was approved by MHCLG in September 2019 and the contract letter has been issued to Nottingham City Council as accountable body.

A new contractual agreement with Marketing Derby to deliver the extended project has been drafted and this report therefore requests this is endorsed and subject to annual review, as with the original project. Subject to

satisfactory performance, it is proposed that the Executive Director – Economy, Transport and Environment has delegated authority to continue the agreement to the end of the project (October 2022). As part of this process, an annual performance review will be presented by Marketing Derby to the DEP Board via the DEP Investment Steering Group.

The project will continue to deliver a wide range of specialist inward investment support to small and medium-sized enterprises (SMEs) looking to launch or grow their businesses in D2N2. It is expected this will lead to increased productivity, the creation of new or expanded enterprises and jobs and new products and services. The focus will be on supporting businesses to grow and invest in the region as currently delivered through the “Invest in D2N2” project, but will build upon lessons learnt by providing more comprehensive support for the customer journey, and include the added value activities of foreign direct investment (FDI), and fostering entrepreneurship. These enhancements will attract more successful businesses to the D2N2 region supporting innovation and best practice, as well as delivering jobs in disadvantaged communities.

Specific activities will include:

- Providing advice and support to entrepreneurs and businesses looking to grow and invest in the region via specialist advisors.
- Developing tailored propositions for businesses to support their investment.
- Undertaking marketing campaigns and co-ordinated events, to help promote the region to prospective businesses/investors.

Through the extended project, the proposal is to further develop and expand “Invest in Derbyshire” service as part of a collaborative D2 whole approach, working alongside Marketing Derby and Destination Chesterfield and building upon the excellent progress made to date in raising the profile of Derby and Derbyshire as the “Capital of Innovation”.

Following the success of the first phase of the project and the work generated as a result, the second phase includes a proposed additional inward investment executive for Derbyshire.

Managing Performance and Delivery

A detailed “Invest in Derbyshire” delivery plan for the period to 2022 has been drafted and the final draft will be taken to the next DEP Inward Investment Steering Group for endorsement.

The delivery plan will set out a framework for measuring performance including agreed outputs and performance measures, actions, timescales and resources. The proposal is for performance to be managed quarterly through the DEP Investment Steering Group with contractual management provided operationally by the Senior Economic Development Officer (Inward Investment).

The delivery plan will outline a range of activity including cross-cutting actions for further developing the service and key areas of focus including attracting and servicing Foreign Direct Investment (FDI) and developing sector specific activity including advanced manufacturing, logistics, hotel accommodation, retail and emerging sectors.

The delivery plan will also cover mandatory ERDF outputs proposed for delivery for the D2 element include 80 enterprises receiving information, diagnostic and brokerage support (P13); 55 enterprises receiving non-financial support (C4); 11 new enterprises supported (C5) and 90 new employment opportunities created (C8).

The project, as a whole, and the “Invest in Derbyshire” element specifically continues to deliver the Derbyshire Economic Strategy Statement (DESS) and complements both the Midlands Engine Strategy and D2N2 Strategic Economic Plan. In addition, inward investment forms an integral part of the Council’s commitment to delivering new and enhanced enterprise and investment services as set out in the Cabinet report approved on 11 January 2018 (Minute No. 08/18 refers) which committed additional budget to support the Council Plan objective of delivering “A Prosperous Derbyshire”.

(3) Financial Considerations

The total cost for the “Invest in Derbyshire” element of the project (including 50% contribution from ERDF) is £355,855. The enhanced project requires match funding from the Council of £177,928 for a three year period which was approved by the Cabinet Member on 9 May 2019. The match funding approved includes the alignment of 0.3 full time equivalent (FTE) of an existing Senior Economic Development Officer (Grade 11) at a cost of £21,719 with remaining match funding of £156,209 allocated from the Economy and Regeneration budget (Minute No.04/19 refers).

(4) Legal Considerations

As set out in report approved on 9 May 2019, the Council has an existing Partnership Grant Agreement with Marketing Derby dated 11 May 2017, covering the three year period of the first phase of the project which ended on 31 October 2019.

Following ERDF approval, a new Agreement has been drafted to contract Marketing Derby to deliver the project extension from 1 November 2019, until the end date of 31 October 2022. The Agreement will be reviewed on a 12 month basis, as is currently the practice.

(5) Human Resources Considerations

As set out in the report approved on 9 May 2019, the match funding sought

will include 0.3 FTE of the Senior Economic Development Officer (Inward Investment) who will project manage the contract with Marketing Derby on behalf of the Council.

(6) Social Value Considerations

The aim of the project is to increase inward investment activity in Derbyshire, thereby creating new employment opportunities for local people and improve productivity and growth for local businesses and supply chains.

Other Considerations

In preparing this report the relevance of the following factors have been considered: prevention of crime and disorder, equality and diversity, environmental, health, property and transport considerations.

(7) Background Papers

Held on file in the Economy and Regeneration Service within the Economy, Transport and Environment Department.

(8) Key Decision No.

(9) Call-In

Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(10) OFFICER'S RECOMMENDATIONS That the Cabinet Member:

- 10.1 Notes the report and the proposal to extend the "Invest in Derbyshire" service following the approval of the "Invest in D2N2" (Derby, Derbyshire, Nottingham and Nottinghamshire) European Regional Development Fund contract extension.
- 10.2 Notes and approves the proposals for managing performance and delivery and delegates authority to the Cabinet Member to monitor performance through the Derbyshire Economic Partnership Investment Steering Group.
- 10.3 Delegates authority to the Executive Director - Economy, Transport and Environment, to agree an extension of the partnership grant agreement between Marketing Derby and the Council on an annual basis until 31 December 2020, subject to satisfactory performance and achievement of agreed outputs.

Mike Ashworth
Executive Director – Economy, Transport and Environment