

# Public Document Pack



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PUBLIC

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

Wednesday, 8 January 2020

Dear Councillor,

Please attend a meeting of the **Cabinet Member meeting - Economic Development and Regeneration** to be held at **9.30 am** on **Thursday, 16 January 2020** in County Hall, Matlock, DE4 3AG, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'S Hobbs', written over a light blue horizontal line.

**Simon Hobbs**  
**Director of Legal and Democratic Services**

## **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 - 2)

To confirm the non-exempt minutes of the meeting of the Cabinet Member  
– Economic Development and Regeneration held on 5 December 2019

4. To consider the non-exempt joint report of the Executive Director for  
Economy, Transport and Environment and Director of Finance and ICT on  
Budget Monitoring 2019-20 - Period 7 (Pages 3 - 6)

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**MINUTES** of a meeting of the **CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND REGENERATION** held on 5 December 2019 at County Hall, Matlock

**PRESENT**

Cabinet Member – Councillor T King

Also in attendance – Councillors G Hickton and R Mihaly

**17/19 MINUTES RESOLVED** (1) that the minutes of the meeting held on 7 November 2019 be confirmed as a correct record and signed by the Cabinet Member; and (2) a meeting had been arranged between the Cabinet Member and Mr Adlington-Stringer.

**18/19 INVEST IN D2N2 PROJECT EXTENSION – DELIVERING AND DEVELOPING “INVEST IN DERBYSHIRE” INWARD INVESTMENT SERVICE** Frank Horsley presented the update report to the Cabinet Member on the European Regional Development Fund (ERDF) “Invest in D2N2” project and the Derbyshire Economic Partnership (DEP). He also sought approval for the continuation of the partnership grant agreement with Marketing Derby for a further 12 months.

The report outlined the background, funding and aims of the project, which was to carry out a series of activities to support businesses looking to relocate or start up in the D2N2 area and to provide opportunities for organisations across Derbyshire to establish a more co-ordinated approach to activity and a more dynamic inward investment service for the county. A partnership grant agreement with Marketing Derby to deliver project activity on behalf of the Council and DEP was agreed, which provided a more responsive, local service working alongside contacts in borough and district authorities and enhanced marketing activity through events, publications and digital media.

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 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 had been delivered, and the key achievements for Derbyshire were detailed within the report. There had been 70 additional investment enquiries of which 41 were live.

Following the success of the first phase, a successful application had been made to the Ministry of Housing, Communities and Local Government (MHCLG) to extend the project for a further three years. This was for

£3,230,666 with 50% funded through ERDF. The DEP element was £355,855 and the Cabinet Member approved £177,928 to support delivery of the Invest in Derbyshire service. Approval was also given to prepare a new agreement with Marketing Derby to manage and deliver the extended project. The Executive Director – Economy, Transport and Environment had delegated authority to continue the agreement to the end of the project. As part of this process, an annual performance review would be presented by Marketing Derby to the DEP Board via the DEP Investment Steering Group.

The project would continue to deliver a wide range of specialist inward investment support to small and medium-sized enterprises (SMEs), with the focus on supporting businesses to grow and invest in the region which would attract more successful businesses to the D2N2 region supporting innovation and best practice, as well as delivering jobs in disadvantaged communities. Following the success of the first phase of the project and the work generated as a result, the second phase included a proposed additional inward investment executive for Derbyshire.

A detailed “Invest in Derbyshire” delivery plan for the period to 2022 had been drafted and would be taken to the next DEP Inward Investment Steering Group for endorsement. The plan set out a framework for measuring performance, actions, timescales and resources with the proposal for performance to be managed quarterly through the DEP Investment Steering Group. It outlined a range of actions for further developing the service and key areas of focus and would cover mandatory ERDF outputs proposed for delivery for the D2 element.

The project and the “Invest in Derbyshire” element continued to deliver the Derbyshire Economic Strategy Statement (DESS) and complimented both the Midlands Engine Strategy and D2N2 Strategic Economic Plan. Inward investment formed an integral part of the Council’s commitment to delivering new and enhanced enterprise and investment services.

**RESOLVED** that the Cabinet Member (1) note 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;

(2) note and approve 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 and

(3) delegate 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.

## DERBYSHIRE COUNTY COUNCIL

### MEETING OF CABINET MEMBER - ECONOMIC DEVELOPMENT AND REGENERATION

16 January 2020

Joint Report of the Strategic Director - Economy, Transport and Environment  
and the Director of Finance & ICT

#### BUDGET MONITORING 2019-20 – PERIOD 7

(1) **Purpose of Report** To provide the Cabinet Member with an update of the Revenue Budget position for 2019-20, up to the end of 31 October 2019 – Period 7.

(2) **Information and Analysis**

#### Forecast Summary

The net controllable budget for the Economic Development and Regeneration Portfolio is £0.701m.

The Revenue Budget Monitoring Statement, prepared at Period 7, indicates there is a projected year-end underspend of £0.085m.

The areas which make up this current projection are shown in the table below:

	<b>Controllable Budget £m</b>	<b>Projected Outturn 2018-19 £m</b>	<b>Projected Over/(Under) Spend for year £m</b>
Economic Development	0.629	0.503	(0.126)
Employment and Skills	0.000	0.073	0.073
Markham Vale	0.072	0.038	(0.034)
Coalite	0.000	0.002	0.002
<b>Total</b>	<b>0.701</b>	<b>0.616</b>	<b>(0.085)</b>

#### Key Variances

#### Economic Development underspend £0.126m

To ensure best use of public monies, all efforts are made to secure match funding where available and deliver interventions in partnership where possible to maximise value and impact. This has been particularly successful

in recent years with the leveraging of EU funding (notably European Regional Development Fund) which has been matched since 2015 with earmarked reserves, and reduced the burden on the revenue budget.

In addition, implementation of the revised 'enterprise and investment' function is continuing and recruitment has not been completed, resulting in some staffing underspends within the financial year. Also, business support interventions and investment/trade promotion continue to be developed as these are finalised and rolled out to businesses, the level of underspend will decrease.

### **Employment and Skills overspend £0.073m**

The overspend is due to incurring salary costs that are not currently budgeted for and are pending rationalisation of the whole Economy and Regeneration Service structure.

### **Markham Vale underspend £0.034m**

The underspend is mainly due to a reduction in salary spend as relevant salaries are being charged to capital.

### **Budget Savings**

Over and above staffing budget reductions, there were no additional reductions allocated to this portfolio for the year.

### **Risks**

The impact of Brexit on the demand for services from the Economy and Regeneration portfolio is not yet known. Partnership working to support Brexit preparedness is well under way but it is possible that a departure from the EU could increase demand for business support, business relief, export/ trade support over the short to medium term. This could potentially have a significant impact on staffing and other resources, not just for the Council, but its partners also. The impact, therefore, on the portfolio's forecast outturn position reported in the Forecast Summary is not yet known.

### **Earmarked Reserves**

Earmarked Reserves relating to this portfolio, totalling £0.832m, are currently held to support future, planned expenditure. Details of these reserves are shown below:

<b>Economic Development and Regeneration</b>	<b>Amount £m</b>
DEP D2 Inward Investment	0.033
Skills Training	0.101
Markham Vale Economic Impact Assessment	0.100
D2N2 Demand Stimulation	0.100

Markham Vale Environment Centre Extension	0.114
D2 Growth Fund	0.200
D2EE Low Carbon Project	0.067
D2 Business Development	0.053
LEADER Project	0.023
D2N2 Digital Growth	0.041
<b>Total Earmarked Reserves</b>	<b>0.832</b>

(3) **Financial Considerations** As detailed in the report.

### **Other Considerations**

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, social value and transport considerations.

(4) **Key Decision** No.

(5) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(6) **Background Papers** Held on file within the Economy, Transport and Environment Department.

(7) **OFFICER'S RECOMMENDATION** That the Cabinet Member notes the report.

**Mike Ashworth**  
**Strategic Director – Economy,**  
**Transport and Environment**

**Peter Handford**  
**Director of Finance**  
**& ICT**

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