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PUBLIC

To: Members of Cabinet Member meeting - Strategic Leadership, Culture and Tourism

Friday, 31 May 2019

Dear Councillor,

Please attend a meeting of the **Cabinet Member meeting - Strategic Leadership, Culture and Tourism** to be held at **10.00 am** on **Monday, 10 June 2019** in Committee Room 4, County Hall, Matlock, DE4 3AG, the agenda for which is set out below.

Yours faithfully,

A handwritten signature in cursive script that reads 'Janie Berry'.

JANIE BERRY
Director of Legal 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 - 4)

To confirm the non-exempt minutes of the meeting of the Cabinet Member
– Strategic Leadership, Culture and Tourism held on 9 May 2019

To consider the non-exempt reports of the Strategic Director for Commissioning, Communities and Policy on:

4. To consider the joint report of the Executive Director Commissioning, Communities and Policy, Executive Director Economy, Transport and Environment and Director of Finance and ICT on budget monitoring 2018-19 - outturn (Pages 5 - 10)
5. To consider the report of the Executive Director Economy, Transport and Environment on Delivering a World Class Visitor Economy within Derbyshire (Phase 2) (Pages 11 - 16)

PUBLIC

MINUTES of a meeting of the **CABINET MEMBER FOR STRATEGIC LEADERSHIP, CULTURE AND TOURISM** held on 9 May 2019 at County Hall, Matlock

PRESENT

Cabinet Member – Councillor B Lewis

Also in attendance – Councillor R Flatley

8/19 **MINUTES RESOLVED** that the minutes of the meeting held on 25 March 2019 be confirmed as a correct record and signed by the Cabinet Member.

9/19 **CULTURE, HERITAGE AND TOURISM (CHAT) BOARD – UPDATE AND FURTHER RESOURCING** At its inaugural meeting on 21 June 2018, the CHAT Board agreed terms of reference that established an overarching purpose “to maximise the economic potential of Derbyshire’s unique and distinctive cultural and environmental offer to ensure the County was an exceptional and world class destination for people to live, work, visit and invest, promoting tourism growth, whilst protecting what makes Derbyshire’s heritage special and unique”.

Within this context, the primary focus of the Board was to ensure the visitor assets, infrastructure and products/services provided complemented the experience of, and met the expectations of, Derbyshire’s visitors, investors and residents. The activities the Board was undertaking in developing its role in this respect, were highlighted.

The CHAT Board had very quickly developed a strong partnership ethos and was focusing its efforts on developing an action plan of themes and proposed projects that would deliver its ambitions. The action plan was also designed to be alive to market opportunities as and when they emerged. The Board was also working with partners to commission research and data that would underpin activity and support the sector in attracting further investment.

Finally, the Board had agreed to identify a number of signature projects that warranted special consideration in helping to further transform the cultural offer of Derbyshire and raise the profile of the County. These would provide a focus for direct intervention and resources.

One such signature project was the proposed Festival of Derbyshire which would deliver a high quality, coordinated marketing and branding campaign centred around a number of milestones during 2020-21. These

included the 70th anniversary of the Peak District National Park; 20th anniversary of the Derwent Valley Mills World Heritage Site inscription and the 200th birthday of Florence Nightingale, along with other key events linked to the Pilgrim Fathers, Barrow Hill Roundhouse etc.

To coincide with key milestones, it was proposed the Festival of Derbyshire ran from mid-2020 to mid-2021. Resources would be required at an early stage to develop the project brief and commission a suitable individual or organisation to deliver the project, depending on scope and depth of activity. The proposal was for the County Council to act as lead commissioner for the project with a high level steering group nominated to manage any subsequent, contracted delivery body, reporting directly to the CHAT Board. The proposed new Senior Economic Development Officer (SEDO) would provide operational links between the Festival programme of activity and the wider work of the CHAT Board. Once detailed plans were in place, the County Council would discuss potential, additional support with/from Visit Britain.

As stated above, the CHAT Board had focused on developing its role and the draft action plan recently endorsed at the Board meeting on 19 December 2018, plus the further addition of the Festival of Derbyshire. Although the role of the Board was to co-ordinate partners' resources against overarching strategic objectives, it had been recognised that dedicated budgetary resource was required to facilitate the work of the Board.

The proposal was to employ a Senior Economic Development Officer on a three year fixed term contract (FTC) to manage development of the Board and delivery of the action plan. Reporting to the Head of Economic Development, the postholder would work closely with the Chairperson and partners to bring forward appropriate projects and interventions to drive forward the CHAT agenda.

The postholder would develop close working relationships with key organisations such as MPDD, Destination Chesterfield and Marketing Derby, as well as ensuring the activity links to the services provided through Derbyshire Economic Partnership (DEP) and the D2N2 LEP. The postholder would also focus on stimulating partnership investment in key projects and leveraging external funding wherever possible to meet the objectives of the Board.

RESOLVED to (1) note the progress to date of the Culture, Heritage and Tourism (CHAT) Board and Action Plan;

(2) approve the recruitment of 1 full time equivalent officer on a three year, fixed term contract until 31 March 2022, subject to appropriate job

profiling and in line with recruitment and selection policy and the allocation of funding from the Derbyshire Challenge Fund reserve;

(3) note and support the proposed Festival of Derbyshire, including the establishment of a senior steering group reporting to the CHAT Board to manage the project and develop a detailed project brief to commission a suitable individual and/or delivery organisation by Autumn 2019; and

(4) note that a future Cabinet report will be presented outlining the proposals for further project funding to implement the Festival programme.

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DERBYSHIRE COUNTY COUNCIL

MEETING OF THE CABINET MEMBER FOR STRATEGIC LEADERSHIP, CULTURE AND TOURISM

10 June 2019

Joint Report of the Executive Director of Commissioning, Communities and Policy, the Executive Director of Economy, Transport and Environment and the Director of Finance & ICT

BUDGET MONITORING 2018-19 – Outturn

1 Purpose of the Report

To inform the Cabinet Member of the outturn position for 2018-19.

2 Information and Analysis

2.1 Summary

The controllable expenditure for the Strategic Leadership, Culture and Tourism portfolio was £12.852m against a budget of £13.276m resulting in a controllable underspend of £0.424m set out in the table below:

	Controllable Budget £m	Full Year Forecast £m	Forecasted (under)/over spend £m
COMMISSIONING, CULTURE AND POLICY			
Communications	3.455	3.124	-0.331
Policy	1.799	1.672	-0.127
Libraries	7.519	7.500	-0.019
TOTAL CCP	12.773	12.296	-0.477
ECONOMY, TRANSPORT AND ENVIRONMENT			
Conservation	0.289	0.371	0.082
Tourism & Twinning	0.214	0.185	-0.029
TOTAL ETE	0.503	0.556	0.053
TOTAL SLCT	13.276	12.852	-0.424

2.2 Key variances

Communications – underspend £0.331m

The key underspend relates to staff turnover and vacancies, mainly in the Contact Centre, where there were 12 vacancies at the end of March.

Policy – underspend £0.127m

The main underspend relates to vacancies due to staff turnover, payment of a grant to Bolsover CVP (no longer in operation) and a reduction in running costs.

Conservation

The Environmental Studies were allocated a savings target of £0.120m which they are not going to achieve this year.

The Conservation and Design section have transferred £0.200m to an earmarked reserve to fund two grade 10 posts over two years

2.3 Growth Items

There were no growth items allocated to this portfolio in this financial year

2.4 Budget Savings

The savings allocated for 2018-19 are set out in Appendix 2. The savings allocation for the Portfolio is £0.568m. This was to be met by a number of sources:

Identified savings:	£251k
One off support from Council:	£214k
Use of departmental underspends/reserves:	£103k

As set out in Appendix 2, only £80k of the identified savings have been achieved. This has resulted in the balance of unmet savings being met from a larger use of departmental underspends, which has increased to £274k.

In respect of ETE, the Environmental Studies and Forest Schools were allocated a saving of £0.120m, but this will not be achieved until 2020-21.

2.5 Potential Risks

The key financial risk to the Portfolio is the non-achievement of savings. As indicated above, unachieved savings have to be met from other sources within the relevant department, either by use of underspends, or reserve balances.

2.6 Reserves

The current balances on the Portfolio's Earmarked Reserves, totaling £3.373m, are listed in Appendix 1. These have been earmarked for corporate issues or committed to projects and initiatives that contribute to the Council's Council Plan pledges and priorities.

3 Considerations

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

4 Key Decision - No.

5 Background Papers

Working papers held in the Corporate Finance Accountancy section and ETE finance section.

6 Call-in

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

7 Officers' Recommendations

To note the revenue outturn position for 2018-19.

EMMA ALEXANDER

Executive Director of Commissioning
Communities and Policy

MIKE ASHWORTH

Executive Director of Economy,
Transport and Environment

PETER HANDFORD

Director of Finance and ICT

APPENDIX 1**Ear Marked Reserves**

	Balance at 31.03.2019
Thriving Communities Initiative	5,376
Literacy	16,838
Performance Management	133,460
Derbyshire Challenge Fund	566,400
Call Derbyshire automation - Speech recognition	100,000
GIS	35,000
Partnership Forum	29,007
Transformation Challenge Award	116,869
Combined Authority Consultant	9,525
Strategy Policy Budget underspends	913,100
Customer Segmentation	80,000
Money Matters	27,000
Action Grants	529,866
Cresswell Craggs	40,000
D2N2 Visitor Economy	50,000
Museum Acquisition	30,924
Digital Exclusion	21,000
Matinee - Paul Hamlyn Foundation	57,747
New Burdens Funding for Records Office	71,612
Literature Development - Arts Council Grant	16,074
Quality Improvement Work - Made in Derbyshire	45,500
Proceeds from sale of Mobile Libraries	37,600
Arts Partnership	66,559
Derwent Valley Mills Heritage Site	192,577
Rural and Community Touring	481
School Library Service	39,481
County Records	48,779
Read, Write, Re-Tell	7,343
Arts Council	84,560
	3,372,678

APPENDIX 2

2018-19 Savings	Planned	Achieved	Planned savings not achieved
	£	£	£
Identified Savings CCP			
Museum staff	40,000	40,000	0
General budgets	51,000	0	51,000
Environmental Services			
Historic Buildings	40,000	40,000	0
Environmental Studies	120,000	0	120,000
Total	251,000	80,000	171,000
Balance of savings not yet identified	317,000		317,000
	568,000	80,000	488,000
Unachieved/Unidentified savings funded by:			
One year growth	214,000		214,000
Underspends/Reserves	103,000		274,000
TOTAL	317,000		488,000

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DERBYSHIRE COUNTY COUNCIL

**MEETING OF CABINET MEMBER – STRATEGIC LEADERSHIP, CULTURE
AND TOURISM**

10 June 2019

Report of the Executive Director – Economy, Transport and Environment

**DELIVERING A WORLD CLASS VISITOR ECONOMY WITHIN
DERBYSHIRE (PHASE 2)**

(1) **Purpose of Report** To seek approval to endorse a change request for the current “Growing and Developing the Visitor Economy Sector in Derbyshire” to become “Delivering a World Class Visitor Economy for Derbyshire (Phase 2)” and agree additional European Regional Development Fund (ERDF) support and a match funding contribution of £70,000.

(2) **Information and Information**

Background

On 3 November 2015, Cabinet approved £150,000 match funding contribution over three years from 2016-17 towards the proposed “Growing and Developing the Visitor Economy Sector within Derbyshire” project (Minute No. 373/15 refers). Following ERDF approval, the £1.3m project commenced in September 2016.

Delivered in partnership with Marketing Peak District & Derbyshire (MPDD) as project lead and accountable body, the project has focused on providing a sector specific business support offer in Derbyshire. This ensures businesses primarily engaged in the visitor economy have access to the information and support needed to grow and develop, and that businesses are well positioned to take advantage of emerging and growing trends in the visitor economy in the area.

As part of the project, business support and investment activity has been delivered across five strands of activity:

- Pedal Peak Business Initiative
- Inspired by the Peak District
- Promoting Derbyshire Products
- Supporting Market Towns
- Delivery of new and emerging business support needs to boost competitiveness

Since the launch of the programme in September 2016, the project has supported a total of 726 businesses. These businesses all received 3+ hours of essential support, with some accessing over 12 hours. Of this total, over 40 businesses received a grant from the Pedal Peak programme. In addition, the project focused on analysing and developing the visitor offer for 10 target towns.

A recent independent evaluation and summative assessment has highlighted the value of the project to the tourism sector. As part of an extensive survey, businesses were asked to attribute their business growth impacts to the interventions they received whilst on the programme. A total of 43% of businesses stated their involvement in the project stimulated growth within the business, with a further 20% stating their involvement in the project accelerated their business activity and growth. The evaluation also noted that only one in five businesses had previously received publicly funded business support, reflecting and tackling the traditional lack of engagement within the sector.

Businesses were also asked about the impact of the project's intervention and innovation and new products developed. A total of 24% of respondents stated they had subsequently introduced new products into the business. Most of the new products related to cycling tourism (a key focus of the Pedal Peak grant programme), but others included:

- Developing food delivery services
- Developing new visitor experiences and tours
- Developing greener credentials
- Providing an accessible offer for people with disabilities

The evaluation also identified that 42% of businesses had seen an increase in turnover since engaging with the project and it is expected this figure will increase during the proposed project extension.

From the outset, this project identified an overall increase for the growth of the sector at 5% in line with national targets. Sector growth between 2014 and 2015 stood at 3%, with a further 2% growth between 2015 and 2016. The most recent STEAM (Scarborough Tourism Economic Activity Monitor) figures demonstrated an impressive 6% growth increase for the visitor economy in 2017-18, with the sector now worth over £2.14bn and accounting for 28,680 jobs across Derbyshire and the Peak District (STEAM results 2017). Similar increases are expected in the 2018-19 STEAM results (due soon).

“Delivering a World Class Visitor Economy for Derbyshire (Phase 2)” Proposed Project Extension

A project change request has been submitted by MPDD to the Ministry of Housing, Communities and Local Government (MHCLG) seeking to extend the project to 31 March 2022, thereby increasing total project expenditure to £2,528,684 (including £1,264,342 ERDF).

However, the proposals go further than a simple extension of current activity but take into account the findings and lessons learnt from the original project responding to the changing strategic environment. To this end, the new Phase 2 project places greater emphasis on the emerging international opportunities of the destination and the resulting economic growth of such activity. It also builds on the aspirations of Derbyshire's Cultural Heritage and Tourism Board (CHAT) to deliver a 'world class destination' by taking forward key business support focused elements of the CHAT Action Plan including the proposed "Festival of Derbyshire" signature project.

Phase 2 will continue to support businesses to grow through the delivery of sector specific workshops, networking events and 1-2-1 advice. It will also deliver a small grants programme that will be widened out to all Derbyshire businesses. Planned outputs for the second phase of the project is 200 additional businesses.

Specific activity proposed for Phase 2 include:

- Small Business Grants Programme – The Pedal Peak grant programme will be replaced with a more flexible grants programme offering small grants of between £1,000 and £10,000. The focus of the grants programme will be job creation and accessing new markets. Activity supported may include translation services for websites, adoption of smart phone technology, e.g. WeChat Pay/Alipay (specifically for the Chinese market), and support to improve accessibility. The project will continue to support cycling grants but Phase 2 will allow for a wider geography of businesses to access the grants beyond the Peak District National Park, developing huge potential to expand cycling beyond the confines of the National Park.
- The 'Inspired by the Peak District' project will continue, but 'Made in Derbyshire' will be a focus of the Phase 2 delivery offer in order to provide a wider quality programme that resonates with more businesses across Derbyshire. A full review and reshaping of "Made in Derbyshire" will help the project to engage with businesses outside of the traditional 'honeypot areas' of the Peak Park, and complement other important destination brands (such as National Forest) by establishing a focused provenance brand for distinctly unique Derbyshire products in particular.
- Cultural heritage and food and drink related tourism have also been identified as strong opportunities for future growth, especially in light of the Vital Valley Programme and the Derwent Valley Mills World Heritage Site. Phase 2 will help to develop this offer. Businesses located within the

World Heritage Site will be encouraged to use this as a marketing tool, thereby raising awareness of the World Heritage Site as a place to visit and providing businesses with a new conversation to have with potential customers, improving the quality of the offer and an increased sense of local pride from businesses and local residents.

- International tourism will be an enhanced focus of Phase 2 centring on development of bookable product and working with overseas travel agents is key to opening up this market and activating growth. The project will also support attendance at target international trade shows, encourage businesses to invest in the translation of their websites/interpretation and will encourage collaborative working practice to develop bookable holidays.
- Building upon the work carried out with stakeholders during Phase 1, further development of action plans to strengthen the offer of the target tourism towns will continue and complement the evolving national policy agenda in respect of high street revitalisation and the Future High Streets Fund.

To summarise, the project provides a business focused intervention to support the ambitions of the CHAT Board and will ensure the sector continues to grow and develop and achieve its full potential, maximising and building upon a range of major investments including Peak Resort, Buxton Crescent, and the major transport investment offered by HS2. The project will also support and strengthen any proposed bid for a Tourism Action Zone as outlined in the Government's recently published, Tourism Sector Deal.

Collaboration and partnership are therefore essential to enabling Derbyshire to become a World Class tourism destination, having a reputation for delivering high quality, value for money and memorable customer experiences, by skilled and passionate people.

(3) Financial Considerations A previous project change request, agreed with MHCLG, reduced the scale of the original "Growing and Developing the Visitor Economy Sector in Derbyshire" project from £1.5m to £1.3m. As a result, only £125,000 of the original Council match funding has been drawn down to date, leaving a residual £25,000 of approved funding in existing budgets. The proposal is to carry forward the residual £25,000 underspend from Phase 1 to Phase 2 and supplement with a further approval for £45,000. The total match funding being sought for Phase 2 delivery will be £70,000 to be drawn down over the three years of the proposed extension (2019 to 2022). This funding can be met from existing budgets in the Economic Regeneration Service.

(4) Social Value Considerations The project will continue to support the growth of the Visitor Economy as key sector of the Derbyshire economy,

maximising visitor spend which will support the viability of Derbyshire's towns and villages and provide increased employment for local people as a result.

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 and transport considerations.

(5) **Key Decision** No.

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

(7) **Background Papers** Held on file by the Economic Regeneration Service within the Economy, Transport and Environment Department. Officer contact details – Frank Horsley, extension 38348.

(8) **OFFICER'S RECOMMENDATIONS** That the Cabinet Member approves a total funding contribution of £70,000 across three years from 2019-22 from the Economy and Regeneration budget towards the proposed project extension to deliver the "Delivering a World Class Visitor Economy for Derbyshire (Phase 2)" project.

Mike Ashworth
Executive Director – Economy, Transport and Environment

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