# **Public Document Pack**



**Simon Hobbs** 

Director of Legal Services Matlock Derbyshire DE4 3AG

Extension 38394
Direct Dial 01629 538394
Ask for Juliette
Normington

#### **PUBLIC**

To: Members of Cabinet Member meeting - Clean Growth and Regeneration

Wednesday, 11 November 2020

**Dear Councillor** 

Please attend a meeting of the Cabinet Member meeting - Clean Growth and Regeneration to be held at <u>9.00 am</u> on <u>Thursday, 19 November 2020</u> virtually; the agenda for which is set out below.

Yours faithfully

Simon Hobbs

**Director of Legal Services** 

# AGENDA

## **PART I - NON-EXEMPT ITEMS**

- 1. Declarations of Interest if any
- 2. Minutes to confirm the non-exempt minutes of the meeting of the Cabinet Member Economic Development and Regeneration held on 10 September 2020 (Pages 1 2)
- 3. To consider the non-exempt joint report of the Director of Economy, Transport and Environment and the Director of Finance and ICT on Performance and Budget Monitoring Forecast Outturn 2020 2021 (Quarter 2) (Pages 3 10)
- 4. 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**

- 5. Declarations of Interest if any
- 6. To consider the exempt reports of the Director of Economy, Transport and Environment on:
- 6 (a) Progress Report on the Transfer of the Apprenticeship Levy to Businesses in Derbyshire (Pages 11 14)
- 6 (b) Developing the Derbyshire China Relationship Extension of D2 China Project Director Project Contract until July 2021 (Pages 15 18)

MINUTES of a meeting of the CABINET MEMBER FOR CLEAN GROWTH AND REGENERATION held virtually on MS Teams on 10 September 2020

#### **PRESENT**

Cabinet Member - Councillor T King

Also in attendance – Councillors G Hickton and R Mihaly

**10/20 MINUTES RESOLVED** that the minutes of the meeting held on 30 July 2020 be confirmed as a correct record and signed by the Cabinet Member.

11/20 <u>BUDGET MONITORING 2020-21 – PERIOD 2</u> The Cabinet Member was presented with an update of the Revenue Budget position for 2020-21, up to 31 May 2020 – Period 2.

It was noted that Period 2 sat within the Coronavirus (COVID-19) lockdown period and the full immediate effects of the pandemic on service delivery and finances had not been felt, the long term implications were not fully understood and additional Government funding to help cover these costs had not been confirmed. The projected outturns and year end forecast presented in this period were unlikely to accurately reflect the final position.

The net controllable budget for the Portfolio was £0.695m, a potential projected year-end overspend of £0.621m. The figures included the predicted additional costs of COVID-19 and loss of income in some areas, up to the end of June 2020. These totalled £0.531m and were expected to be met corporately. Without COVID-19 costs, the Portfolio was projected to be overspent by £0.090m; these were detailed in the report.

There was an Economic Development overspend of £0.582m which was due to the additional costs of supporting businesses and administering grants over the period to the end of June 2020. There was an Employment and Skills overspend £0.076m due to incurring salary costs that were not budgeted for and were pending the restructure of the wider Economy and Regeneration Service structure.

Markham Vale saw an underspend £0.037m mainly due to a reduction in salary spend, however, the continuing loss of income from conferencing, rents, contract work and increase in material/labour costs were proving challenging.

Earmarked Reserves totalling £0.695m were held to support future, planned expenditure and were ring fenced for spend against specific projects; these detailed within the report.

**RESOLVED** that the Cabinet Member note the report.



#### DERBYSHIRE COUNTY COUNCIL

# MEETING OF CABINET MEMBER – CLEAN GROWTH AND REGENERATION

#### 19 November 2020

Joint Report of the Director – Economy, Transport and Environment and the Director of Finance and ICT

# PERFORMANCE AND BUDGET MONITORING/FORECAST OUTTURN 2020-2021 AS AT QUARTER 2

(1) **Purpose of Report** To provide the Cabinet Member with an update of the Council Plan performance position and the revenue budget position of the Clean Growth and Regeneration portfolio for 2020-2021 up to the end of September 2020 (Quarter 2).

# (2) Information and Analysis

# **Integrated Reporting**

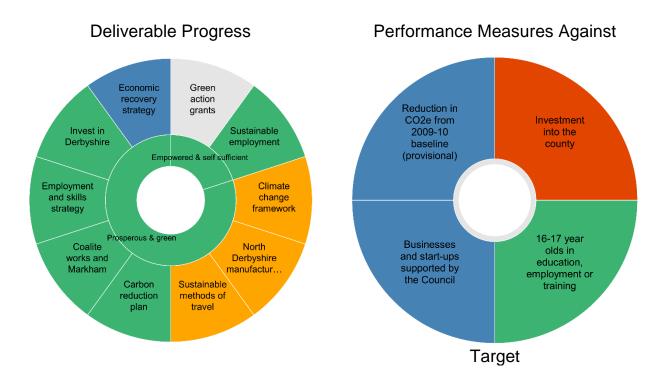
This report presents both financial and Council Plan performance data. The performance summary sets out progress on the Council Plan deliverables and measures led by the Clean Growth and Regeneration portfolio. The remainder of the report gives a summary and detail on the revenue budget position for the portfolio.

As an overview, the report shows that progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio, however, the deliverables to assist in the successful implementation of a new manufacturing zone in North Derbyshire, to help deliver the Derbyshire Environment and Climate Change Framework and to encourage more people to choose sustainable methods of travel, create healthier lifestyles and reduce carbon emissions have been flagged as "requiring review". After the use of additional Coronavirus (COVID-19) funding, the budget forecast position for 2020-2021 is a small overspend of £0.031m.

#### **Performance Summary**

The following shows an overview for Quarter 2 of progress on the Council Plan deliverables and measures relating directly to Clean Growth and Regeneration. This progress builds on that achieved during Quarter 1 which included: 1,792 business being supported through the County Council's Hardship Fund; almost 100 webinars delivered to local businesses with economic partners; and

£443,000 being secured to help get people moving on active (sustainable) travel.



Performance Measures Against Target

							2018/2019	2019/2020	2020/2021	Target	Performance
Number of businesses and start-ups supported by the Council						1,152	3,084	1,000	*		
Percentage of 16 to 17 year olds in education, employment or training (3 month avg)					94.0%	93.1%	95.2%	96.0%	~		
Investment into the county						£9,601,992	£6,221,615	£10,000,000			
Percentage reduction in CO2e from 2009-10 baseline (provisional)						48.1%	56.6%		55.0%		
Key	*	Strong	~	Good		Review		Action	Data no	t available/Ta	arget not set

Progress in Quarter 2 is considered to be "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio. Key areas of success are:

- The significant progress that has been made in developing and commencing implementation of the COVID-19 Economic Recovery Strategy, and specifically the progress made through the 'rescue and revive' phase (April to September 2020). Implementation of actions for the 'revive' phase of the Strategy has also commenced. However, as the number of cases continues to rise nationally and locally, and with more severe restrictions pending on local business, it is likely that such progress will slow down and a return to 'rescue' interventions is highly likely to ensure that as many Derbyshire businesses as possible are protected and supported through the continuing economic shock.
- A pipeline of 12 proposals to support market town renewal has been submitted to the Derby, Derbyshire, Nottingham, Nottinghamshire Local

Enterprise Partnership (D2N2 LEP) in anticipation of future Government funding announcements.

- Eight funding bids to Central Government for Reopening High Streets Safely funds were supported, which included footfall monitoring and environmental improvements to town centres.
- The development and approval of the online platform, 'Shopappy', which is
  to go live in October/November across all 27 market towns in the County.
  This digital intervention will help promote local products, retailers and local
  businesses, not just to local residents but to visitors also and will provide a
  vital lifeline for retail as the high streets continue to face significant challenges
  to footfall.

Key areas for consideration are:

During the 1<sup>st</sup> and 2<sup>nd</sup> quarter £6,222m of funding has been secured to support wider 'good growth' and regeneration ambitions; this is made up of £3.808m for the A61 Corridor, £1.00m for Ashbourne Airfield, £930,000 for helping sustain public transport, and £477,000 to aid the safe re-opening of town centres. The amount of external funding secured will continued to be monitored and every opportunity to attract additional funding explored. Further information on the portfolio's Council Plan performance is provided at Appendix A.

# **Budget Forecast Summary**

The net controllable budget for the Clean Growth and Regeneration portfolio is £0.695m. An additional £0.542m COVID-19 funding will be added to the budget to give a total of £1.237m.

The Revenue Budget Monitoring Statement prepared for quarter 2 indicates there is a forecast year-end overspend of £0.573m.

This overspend will be supported by the use of £0.542m of additional COVID-19 funding which has been allocated to the Council to support the costs incurred as a result of the pandemic. After the use of this funding the forecast position is a small overspend of £0.031m.

Projected outturn against target budget

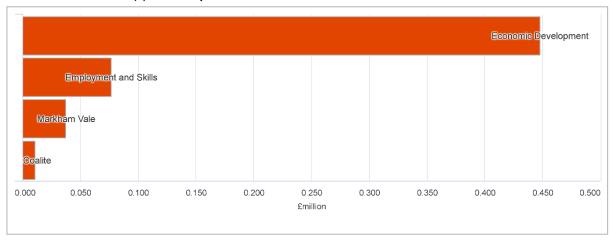


The significant areas which make up this projection are shown in the following table and graph below:

# Clean Growth and Regeneration Budget Items

	Controllable Budget £m	FARACSET	Forecast Under (-)/ Over Spend £m	Percentage Under (-)/ Over Spend	Budget
Economic Development	0.594	1.042	0.448	75.4%	[2]
Employment and Skills	0.050	0.127	0.077	154.0%	2
Markham Vale	0.051	0.088	0.037	72.5%	2
Coalite	0.000	0.011	0.011	100.0%	[2]
Total	0.695	1.268	0.573	82.4%	[2]
Covid-19 Funding	0.542				
Budget Item Total	1.237	1.268	0.031	2.5%	2
Budget Item Variance	0.000	0.031	0.031	100.0%	[2]

# Forecast Under (-)/Overspend



# **Key Variances**

Economic Development, overspend £0.448m

The majority of this overspend is due to hardship grant payments due to COVID-19.

Employment and Skills, overspend £0.077m

This overspend is due to there being no established budget for the Employment and Skills post.

# **Budget Savings**

There are no additional reductions allocated to this portfolio for the year.

#### **Earmarked Reserves**

Earmarked reserves totalling £0.695m are currently held to support future expenditure. Details of these reserves are as follows:

#### Reserves

		£m
D2 Growth Fund	=	0.200
Markham Vale Centre Extension	=	0.114
Markham Vale	=	0.100
Skills Training		0.092
D2EE Low Carbon	_	0.067
D2 Business Development	******	0.053
LEADER Project	=	0.036
DEP D2 Inward Investment		0.033
Total Reserves	=	0.695

#### Key

- ♠ Reserve has increased over the quarter
- = Reserve is unchanged over the quarter
- Reserved has decreased over the quarter
- (3) Financial Considerations As detailed in the report.

#### **Other Considerations**

In preparing this report the relevance of the following factors has been 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 and considers whether there are any further actions that should be undertaken to improve the budget position moving forwards or to address performance, where it has not met the desired level.

Tim Gregory
Director – Economy, Transport
and Environment

Peter Handford Director of Finance and ICT

# Highways, Transport & Infrastructure Quarter 2 Performance Report 2020/2021 Progress on Council Plan deliverables and key measures

# A prosperous and green Derbyshire



#### Increased the fibre enabled broadband coverage across Derbyshire for homes and businesses

Progress is being made towards planned targets within the BT contract. Delays to BT installations have been experienced due to Covid-19 restrictions including road closures, civils teams and power companies. Openreach are working to complete the remaining installation commitments under the Phase 2 Contract but an extension of the current contract timescales will be required. We are also waiting for 3 change requests to be agreed (Data set realignment, descope and rescope). Once these are resolved we will have a clearer indication of timescales to complete the contract. The Digital Derbyshire Team are experiencing an increase in enquiries from communities across Derbyshire due to Covid-19 related dependence on broadband for Homeworking. The Derbyshire "Top Up" scheme was approved in quarter 2 and is now in place for supporting applications to the Rural Gigabit Voucher Scheme and the team are working with communities to identify opportunities and maximise take-up of this valuable initiative.

62.9%

Take up of fibre enabled broadband
30 JUN 20

Take up was 63% up to June 2020 with 67,855 homes or businesses across phase 1 and 2 with fibre enabled broadband.



#### Invested in well maintained roads and highways infrastructure

A £40 million programme of highway improvements has been put together, a significant increase in funding when comapred to previous years. The schemes cover a wide range of maintenance and improvement work to roads and pavements, bridges and structures, street lighting and rights of way. Schemes are also included that will address local road safety issues and that will help to support an increase in cycling across the county. A significant slice of the funding will be targeted at repairs resulting from the floods that hit the county in late 2019 and early 2020 that left behind damaged carriageways and structures, and two major landslips that washed away roads are being addressed. A programme to tackle drainage and surface deterioration and prevent potholes is also in progress.

The year to date figure of 74.6% of defects completed within target reflects a recent improvement in performance with 84.2% of those defects completed in September being within target. Of the 26 urgent defects completed in quarter 2, 25 (96%) were completed on time

74.6%

Defects completed within target

≈ 30 SEP 20



#### Worked to maximise growth opportunities arising from HS2 and to mitigate impact

Limited progress has been made on mitigation works during quarter 2 as the Government's Integrated Rail Plan (IRP) and National Infrastructure Commission (NIC) reports are not due to be issued until November/ December. These reports will set out the scope and timescales of HS2 Eastern Leg going forward. Work has conitnued however, to develop the programme for future areas of evidence to be commissioned and the recruitment of an HS2 Project Manager. The HS2 Skills and Supply Chain workstream and the two delivery boards (Chesterfield and Toton) have continued to meet during quarter 2 and masterplanning for both sites is making good progress – but inevitably will be impacted by the findings of the two reports.

Data version: 6.0 20-Oct-2020 13:18:23 Quarter 2 2020/2021

#### Completed the development and started the implementation of The Derbyshire Infrastructure Investment Plan to support good growth

Work on the Derbyshire Infrastructure Investment Plan has continued at pace but through discussion with the Derbyshire Chief Executives, borough and district council planning officers, it is now proposed to shape the work into a more refined document, the Strategic Growth and Infrastructure Framework (SGIF). This will help identifyy and prioritise Derbyshire County Council's pipeline of capital projects that enable the wider regeneration programmes for the County. A report is to be presented to the Derby and Derbyshire Chief Executives meeting and the Derby and Derbyshire Joint Committee in quarter 3 to confirm the approach and the content of the new SGIF.

# High performing council services

Continued to maintain high levels of customer satisfaction in the Council's Highway and Transport Services

The diversion of all the highways construction services in the early stages of lockdown helped to make significant reductions to the backlog of repairs to the network following the winter and flood damage. Much of the current £40 million highways programme is aimed at addressing the condition of roads and footways, a key measure of customer satisfaction.

The results from the 2020 National Highways and Transportation (NHT) survey will be available in quarter 3.

55.0% Residents satisfied with Highways and Transport services 31 DEC 19

Key

Page 10



Action

Data not available/Target not set

Data version: 6.0 20-Oct-2020 13:18:23 Quarter 2 2020/2021 Document is Restricted



Document is Restricted

