

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.

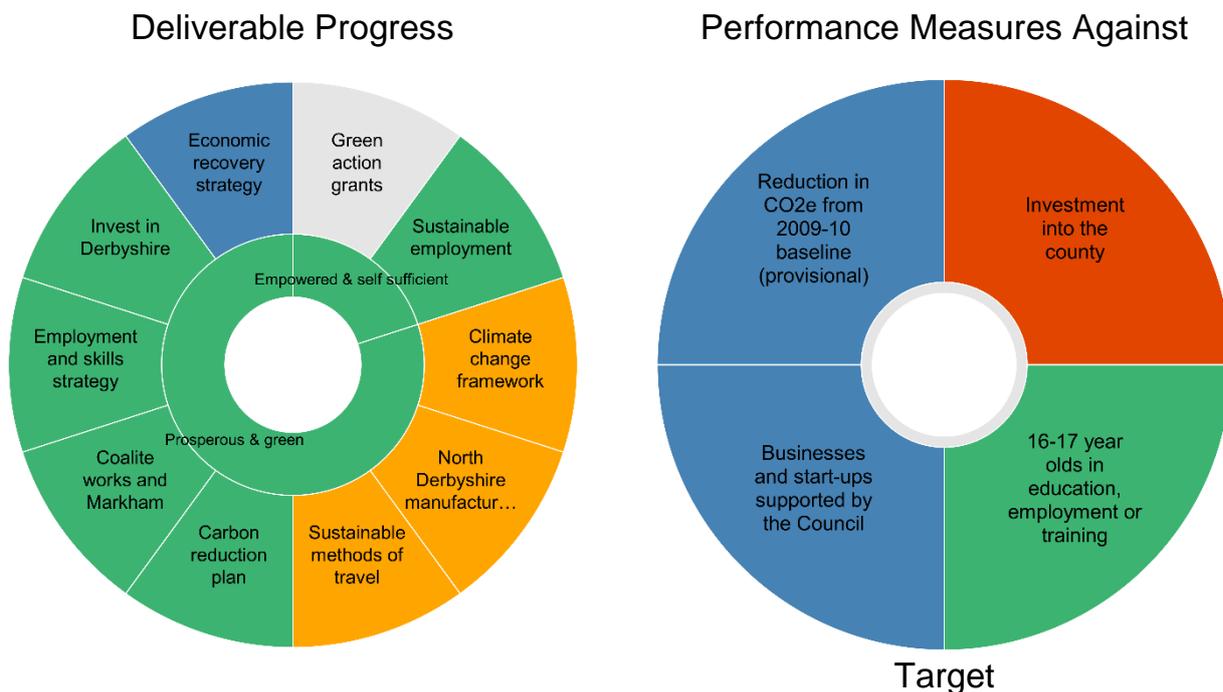
As an overview, the report shows that progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio, however, the deliverables to assist in the successful implementation of a new manufacturing zone in North Derbyshire, to help deliver the Derbyshire Environment 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

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£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 not available/Target 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

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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 1st and 2nd 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



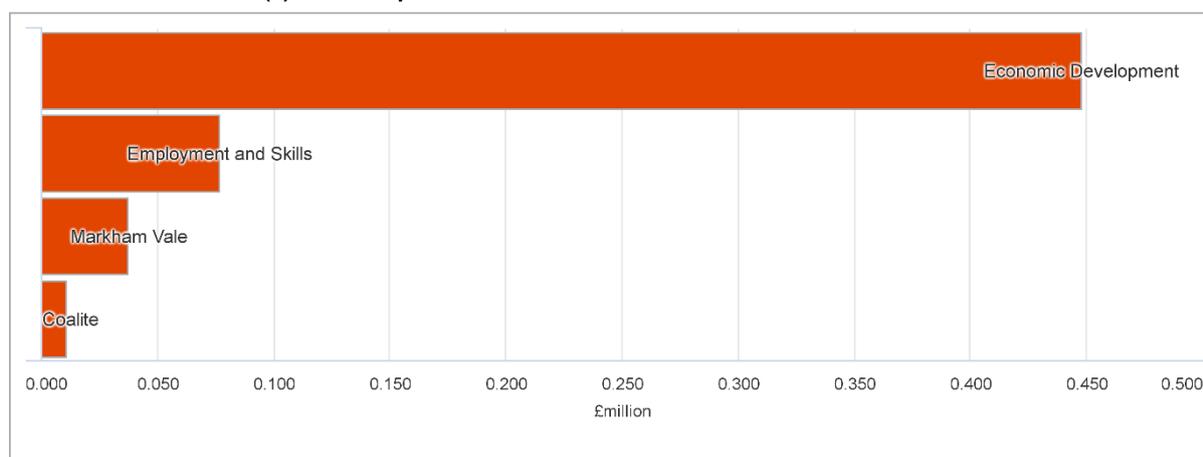
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The significant areas which make up this projection are shown in the following table and graph below:

Clean Growth and Regeneration Budget Items

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

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.

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(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