

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – CLEAN GROWTH AND REGENERATION

11 February 2021

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 3

(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 December 2020 (Quarter 3).

(2) **Information and Analysis**

Integrated Reporting

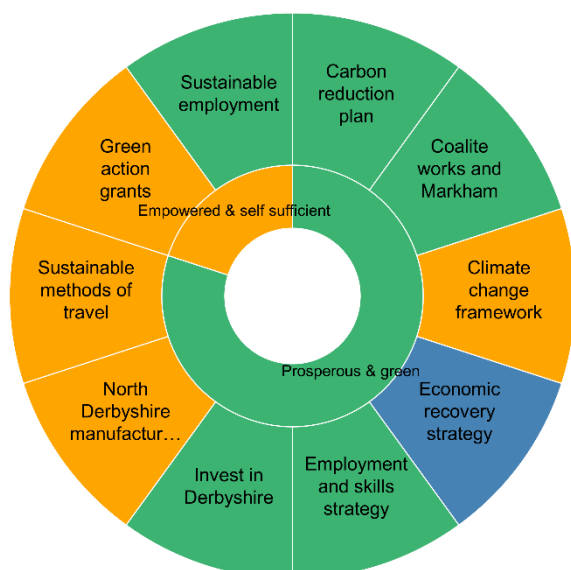
This report presents both financial and Council Plan performance data. The performance summary sets out progress on the Council Plan deliverables and measures led by the Clean Growth and Regeneration portfolio. The remainder of the report gives a summary and detail on the revenue budget position for 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. After the use of additional Covid-19 funding, the budget forecast position for 2020-2021 is an underspend of £0.103m.

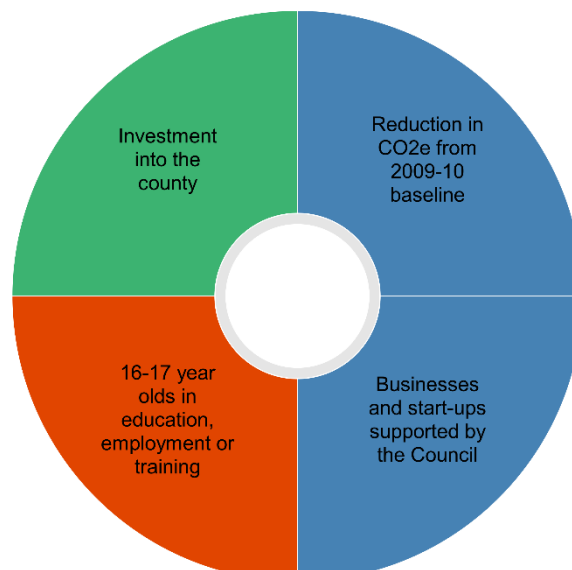
Performance Summary

The following shows an overview for Quarter 3 of progress on the Council Plan deliverables and measures relating directly to Clean Growth and Regeneration.

Deliverable Progress



Performance Measures Against Target



Performance Measures Against Target

	2018/2019	2019/2020	2020/2021	Target	Performance
Number of businesses and start-ups supported by the Council		1,152	3,104	1,000	★
Percentage of 16 to 17 year olds in education, employment or training (3 month avg)	94.0%	93.1%	72.1%	96.0%	🔴
Investment into the county		£9,601,992	£15,016,686	£15,000,000	✅
Percentage reduction in CO2e from 2009-10 baseline	47.9%	55.3%		55.0%	

Key ★ Strong ✅ Good 🟡 Review 🔴 Action 🟡 Data not available/Target not set

Progress is "good" or "strong" for the majority of the Council Plan deliverables led by the portfolio.

Key achievements are evident against the Council's good growth ambitions. These ambitions are also reflected in the approved COVID Economic Recovery Strategy where action has been driven through strong partnership working, specifically in relation to:

- Level of inward investment secured into the county - the annual 2020/21 target has been achieved by Quarter 3 due to strident progress being maintained on externally funded regeneration projects.
- Progress against the adopted climate change framework – particularly in relation to further installation of electric vehicle charging points and instigation of local energy generation projects. Major strategic infrastructure proposals continue to be developed to support low carbon transport.
- Continued roll out of programmes supporting routes to employment and development of business support programmes, including business start up and green entrepreneurs grant funds.

Key areas for consideration are:

- Need to continue targeted action to support vulnerable young people into positive destinations such as employment, training or learning (NEET). This remains a cross-departmental priority and interventions such as development of Careers Hub and Youth Hub have been included in the Employment and Skills COVID-19 Recovery Strategy to help address this issue.

Further information on the portfolio's Council Plan performance are included at Appendix A.

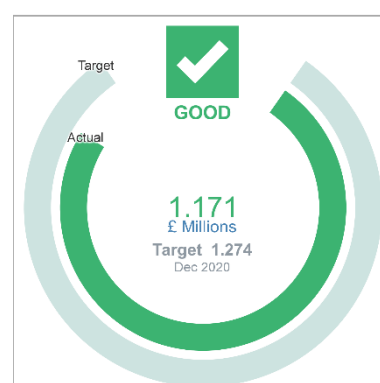
Budget Forecast Summary

The net controllable budget for the Clean Growth and Regeneration portfolio is £0.803m. An additional £0.471m COVID-19 funding will be added to the budget to give a total of £1.274m.

The Revenue Budget Monitoring Statement prepared for quarter 3 indicates there will be a forecast year-end overspend of £0.368m without COVID -19 funding.

As this overspend will be supported by the use of £0.471m of additional COVID-19 funding which has been allocated to the Council to support the costs incurred as a result of the pandemic, the forecast position is an underspend of £0.103m.

Forecast outturn against target budget

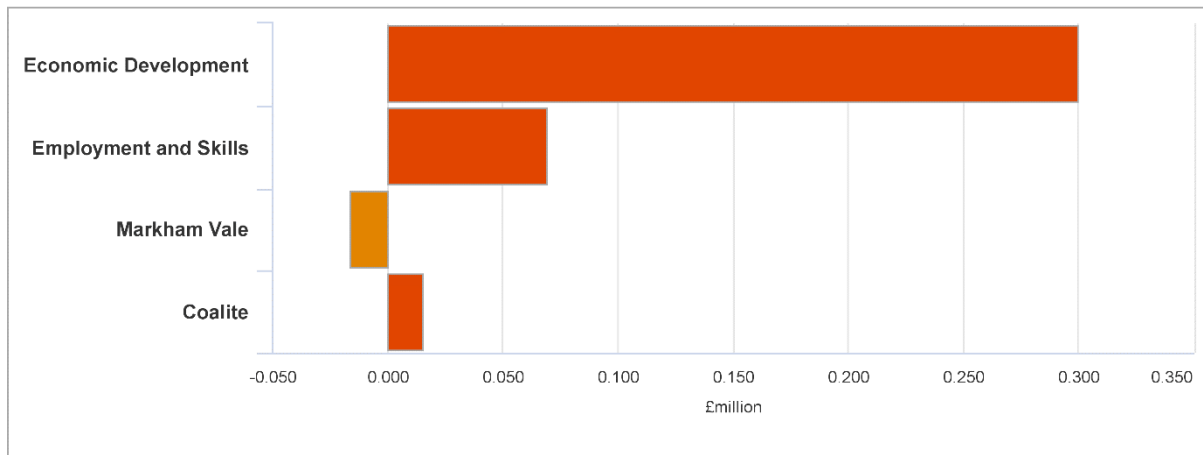


The significant areas which make up this projection are shown in the following table and graph below:

Clean Growth and Regeneration Budget Items

	Controllable Budget £m	Full Year Forecast £m	Forecast Under (-)/ Over Spend £m	Percentage Under (-)/ Over Spend	Budget Performance
Economic Development	0.701	1.001	0.300	42.8%	❑
Employment and Skills	0.050	0.119	0.069	138.0%	❑
Markham Vale	0.052	0.036	-0.016	-30.8%	✅
Coalite	0.000	0.015	0.015	100.0%	❑
Total	0.803	1.171	0.368	45.8%	❑
Covid-19 Funding	0.471				
Total after use of additional funding	1.274	1.171	-0.103	-8.1%	✅

Forecast Under (-)/Overspend



Key Variances

Economic Development, overspend £0.300m

The majority of this overspend is due to hardship grant payments made to local business to support them through the COVID-19 pandemic.

Employment and Skills, overspend £0.069m

This overspend is due to no budget against the Employment and Skills post. This will be rectified for the 2021-22 financial year subject to approval of a service pressure bid of £0.070m by full Council on 3 February 2021.

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
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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.

(4) **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.

(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 within the Economy Transport and Environment Department.

(8) **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

Clean Growth and Regeneration Quarter 3 Performance Report 2020-2021

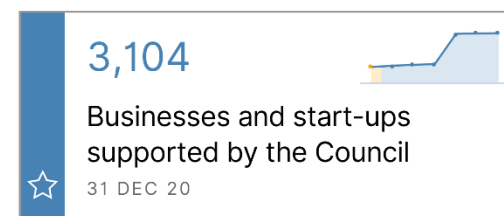
Progress on Council Plan deliverables and key measures

A prosperous and green Derbyshire



Developed and implemented a Covid-19 economic recovery strategy to support business and sector renewal

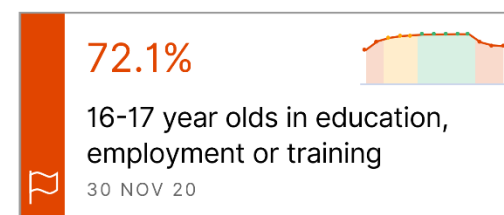
The Covid-19 Recovery Strategy was approved at Cabinet and Derbyshire Economic Partnership in Quarter 3. The official launch was planned for early in the New Year. Further lockdown in Quarter 3 has hampered recovery in some key sectors, specifically public transport, retail and visitor economy. Other sectors (construction, automotive, engineering) have maintained a steady profile. Targeted recovery efforts are being driven through new task forces around the high street, visitor economy and transport. The Shopappy scheme has been launched across Derbyshire to provide all retailers and businesses in 27 market towns with a digital presence to support e-commerce. The Business start up scheme was approved at D2 Joint Committee in December and will launch in Quarter 4. - The development of major, green infrastructure proposals aligned to key regeneration sites is also progressing well with strong partnership buy in.



Delivered the Employment and Skills Strategy action plan in line with programmed timescales including improved co-ordination of Council activity

Good progress continues to be made against the Council's Employment and Skills Action Plan but relevant work areas have now been embedded into the Covid-19 Recovery Action Plan. This was signed off by Cabinet in November and by the Derbyshire Economic Partnership in December 2020. Key success areas in Quarter 3 have included roll out of the Careers hub in northern Derbyshire and development of an extended proposal for southern Derbyshire. Return to education and learning, plus roll out of Kickstart has also been a major area of work with good success, although the Department of Work and Pensions has experienced some initial delays in the roll out of the Government's Kickstart programme of work placements for 16-24 year olds and this is impacting on the target numbers of young people. A review of the working arrangements of the Council's Employment and Skills Board is underway in Quarter 4 and whilst this won't impact detrimentally on the content and progress of the Action Plan, it will impact on the monitoring arrangements, with much delivery now being driven through the Recovery workstreams.

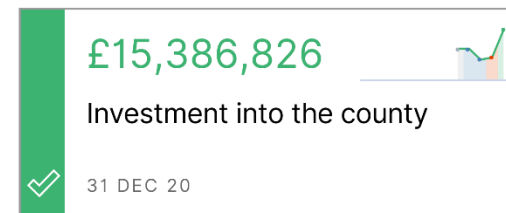
The percentage of young people aged 16 and 17 in education, employment and training (EET) for the 3 months of September, October and November 2020 is 72.1%. This reflects the known seasonal impact associated with the start of a new academic year and the need re-establish the activity status of young people. This performance is 7.2 percentage points higher than the same time last year (64.9%) but is lower than the national position for the same 3 month period (81.5%). The annual snapshot will be taken based on the December, January, February average.



Delivered the new “Invest in Derbyshire” programme



Performance review of Invest in Derbyshire now complete with new contract management arrangements in place - including regular reporting of activity and enquiries ensuring more transparent value for money in service delivery. Virtual 'MIPIM' property event held in November with 200+ investors in attendance. There has been a high level of interest in East Midlands generally and Derbyshire specifically as a result however, there is typically a long lead (up to 5 years) to convert enquiries into inward investment results. The target is a year end target and additional external Local Growth Fund (LGF) funding (£9.294,000) has been secured in Quarter 3 which is yet to be processed through the system and will be fully reconciled in Quarter 4.



Assisted in the successful implementation of a new manufacturing zone in North Derbyshire



Limited progress remains and the Government's focus on manufacturing zones appears to have been diverted. Proposals have been now generally embedded into place-based Economic Recovery Action Plans.

Completed the clean-up of polluted land at the former Coalite works in Bolsover and further developed Markham Vale

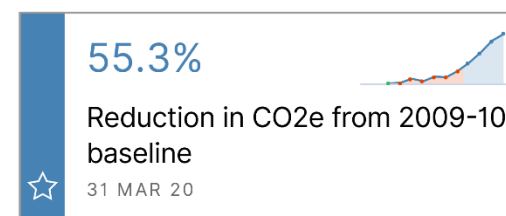


Coalite - Phase 2 highways infrastructure work is to commence in Quarter 4. Active marketing of the site is being undertaken and there are good levels of investor interest, despite current Covid-19 circumstances. Markham Vale – there is continued high levels of investor interest for sites. The Phase 2 earthworks contract is to recommence in Quarter 4, which will release further land for development.

Implemented the Carbon Reduction Plan to reduce emissions from Council owned buildings and operations



Good progress is being made on reducing carbon emissions from Council owned buildings and operations with an overall 55.3% reduction being achieved between 2009/10 and 2019/20. The proportion of our emissions coming from each source is as follows: Property - 54%; Streetlighting - 24%; Core fleet - 9% and Grey fleet - 13%. Work is also underway to reduce emissions from 'hard-to-measure' sources including procurement. Options for moving forwards with sustainable procurement are currently being sought.



Worked in partnership to deliver the Derbyshire Environment and Climate Change Framework, harnessing recent changes in employee, resident and business behaviour



County-wide work to address climate change is being taken forward as part of Vision Derbyshire with leads for the 'Living and Working Sustainably' having been agreed. Climate action planning is also continuing with the D2 Action Planning process led by Midlands Energy Hub. Soft Market Testing has been undertaken to get feedback prior to developing the specification for a tender for producing a Natural Capital Strategy. Whilst there has been increased activity in this area of work there is still limited project implementation.

Accelerated action to reduce emissions across the County would need to be taken for the County to be on track in reducing emissions to net zero on a pathway consistent with the Paris Agreement

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Delivered measures to encourage more people to choose sustainable methods of travel, create healthier lifestyles and reduce carbon emissions

Notification has been received that the Council was successful, subject to public consultation, in its bid to the Government's Emergency Active Travel Fund Tranche 2 with £1.64m to create a new east to west cycle route across Chesterfield. This will also include undertaking a trial School Street project at one selected school in the area. Consultation is due in early January 2021. Amber Valley Borough Council and South Derbyshire District Council have both been successful in their applications to the Office for Low Emission Vehicles for On-Street Residential Chargepoint funding with Chesterfield Borough Council, Bolsover District Council and Derbyshire Dales District Council currently awaiting the outcome of their applications. However, no dates have been confirmed for installation.

Empowered and self-sufficient communities



Helped people furthest from the labour market into sustainable employment

Continued strong progress on the roll out of the apprenticeship levy transfer has been made with circa 50 levy transfer apprentices at end of Quarter 3. Further development of European Social Fund (ESF) funded programmes Not in Employment Education and Training (NEET) and adults, both worth £2m ESF, which will form part of forward programme if approved. The delivery of the I Step Up support programme has not been possible due to Covid-19 but more targeted partner interventions are being developed and implemented as part of Recovery Action Plan including the Kickstart programme with Department for Work and Pensions (DWP).



Supported communities to take action to tackle climate change within their local areas through our new green action grants programme

Due to the ongoing Covid-19 pandemic and the capacity of the Voluntary and Community Sector at this moment in time, the commencement of a Grant Grants Scheme has been paused. It is anticipated that this programme will commence in late Spring 2021.

Key



Strong



Good



Review



Action



Data not available/Target not set