

**MINUTES** of a meeting of the **CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND REGENERATION** held on 13 December 2018 at County Hall, Matlock

**PRESENT**

Cabinet Member – Councillor T King

Also in attendance – Councillor G Hickton

Apologies for absence were received from Councillor R Mihaly.

**18/18**      **MINUTES RESOLVED** that the minutes of the meeting held on 23 November 2018 be confirmed as a correct record and signed by the Cabinet Member.

**19/18**      **BUDGET MONITORING 2018-19 – PERIOD 7** The Cabinet Member was provided with an update of the Revenue Budget position for 2018-19, up to the end of October 2018 – Period 7.

The net controllable budget for the Economic Development and Regeneration Portfolio was £0.814m. The Revenue Budget Monitoring Statement, prepared at Period 7, indicated that there was a projected year end underspend of £0.305m. The areas which made up this projection were detailed in the joint report.

Details of the Earmarked Reserves relating to this portfolio, totalling £0.885m, were currently held to support future expenditure. Details of these reserves were shown in the joint report.

**RESOLVED** to note the report

**20/18**      **UPDATE ON INVEST IN DERBYSHIRE PROJECT** The Cabinet Member was provided with an update on the European Regional Development Fund (ERDF) D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Inward Investment Project, and was requested to approve the extension of the existing contractual agreement between the Council and Marketing Derby for the delivery of the project from December 2018 to November 2019 when the project is completed.

The European Structural Investment Fund 2014-2020 (ESIF) programme is being delivered through the D2N2 Local Economic Partnership (LEP). As part of the ESIF programme, the D2N2 Inward Investment project

was awarded an ERDF grant in November 2016 of £1,041,254 against a total project cost of £2,082,508 for the period up to October 2019.

The D2N2 project had a number of work packages, one of which was the Invest in Derbyshire Service. The overall ERDF programme was being delivered in collaboration with Derbyshire Economic Partnership (DEP), Marketing Derby, Destination Chesterfield and Marketing Nottingham and Nottinghamshire, with Nottingham City Council being the accountable body. At the Cabinet meeting on 31 January 2017, approval was provided for match funding towards the D2N2 project and to delegate to the Strategic Director - Economy, Transport and Environment authority of the final terms of the required partnership/ collaboration agreements for the D2N2 Inward Investment project, in consultation with the Cabinet Member for Strategic Policy, Economic Development and Budget (Minute No. 31/17 refers).

A total of £90,000 match funding had been provided from Derbyshire County Council (secured through the DEP budget) to support the D2N2 project and is leveraging a full programme of activity across Derbyshire over the three year period 2016-19. The aim of the project was to carry out a series of activities to support businesses looking to relocate or start up in the D2N2 area. The project also provided the opportunity for inward investment organisations across Derbyshire to establish a more co-ordinated approach to activity and build upon the “Invest in D2” brand successfully developed for the trade mission to Shanghai in November 2016, MIPIM 2017 and 2018 and a number of local events over the past 12 months.

For the D2 (Derby and Derbyshire) area, it was agreed to enter into a partnership grant agreement with Marketing Derby to deliver the project on behalf of the Council and DEP. This included funding for the appointment of a dedicated Investment Executive to work alongside the existing DEP Investment Co-ordinator. The benefits of contracting delivery to Marketing Derby have been substantial, considering the reputation of the organisation for investment promotion and the level of management resource required to support the new post holder and other elements of the project. The arrangement provided a more responsive, local service, working alongside contacts in borough and district authorities and enhanced marketing activity through events, publications and digital media.

Delivery of the Invest in Derbyshire work package was set out in an agreed strategy document “Delivering Inward Investment in Derbyshire, 2017-2019 and the project was a standing item on the DEP Board. An Inward Investment Steering Group was now in place (reporting to DEP), chaired by the Cabinet Member for Economic Development and Regeneration, which oversees delivery of the D2N2 element of the project against the Strategy.

The grant agreement between Derbyshire County Council and Marketing Derby was signed in May 2017 and established the contract for Marketing Derby to deliver activity through the Investment Executive post, whilst fulfilling the needs of the Derbyshire economy and project objectives enabling joint project activity to be procured through one central point.

The report currently under consideration provided an update on Invest in Derbyshire activity over the last 12 months with a request to further extend the contracted agreement until the end of the project in October 2019.

It should be noted that partners are developing a proposal to extend the project until December 2022. An expression of interest was submitted to MHCLG on 24 November 2018 as part of the open call for projects under ERDF Priority Axis 3 small and medium enterprises (SMEs) Competitiveness.

A further report would be submitted to Cabinet in early 2019 seeking support for the new project which would build upon and enhance the activity delivered through the current project.

**RESOLVED** (1) to note the progress of the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) Inward Investment Project and specifically the work programme around Invest in Derbyshire; and

(2) to delegate authority to the Strategic Director - Economy, Transport and Environment, to agree an extension of the partnership agreement between Marketing Derby and the County Council from December 2018 to October 2019 when the project is due to be completed.

**21/18      ATTENDANCE AT MPIM ANNUAL CONFERENCE AND EXPO 12-15 MARCH 2019** Approval was sought for one officer to attend the annual MPIM Conference and Expo in between 12-15 March 2019 and note arrangements for the procurement of travel, accommodation and subsistence through Marketing Derby.

MPIM is the world's leading conference and expo for property development and inward investment and would be taking place, as in previous years, at the Palais de Festivals in Cannes, France between 12-15 March 2019.

The conference was a key feature in the property and development calendar and is well-attended globally by major investors, development companies, agents and contractors, as well as place promotion and inward investment agencies representing localities from the UK, Europe and across the world.

A regional presence had been provided at the event for many years, originally by East Midlands Development Agency (emda) and more recently by the Derby, Derbyshire, Nottingham and Nottinghamshire Local Enterprise Partnership (D2N2 LEP).

MIPIIM 2017 was highly successful with a number of meetings scheduled and leads developed that have been further cultivated over the last 12 months. The D2 presence was noticeable within the Midlands Engine Pavilion and the County Council/DEP representative took part in a well attended plenary session “Tourism & Culture – Opportunities and Impact on the Economy”.

It was proposed that one officer from the Council attended the event to represent DEP and lead any Derbyshire focused activity and discussions with potential clients. In addition, the representative will work closely with the dedicated Investment Executive (employed by Marketing Derbyshire as part of the project ERDF) who will also be attending MIPIIM. This would further build the “Invest in Derbyshire” brand and yield further leads. The proposed representation at MIPIIM has been endorsed by DEP Board and would be formally considered at its meeting on 11 December 2018.

All administrative arrangements for the D2 Team were being undertaken by Marketing Derby as part of its contractual role in delivery of the ERDF project. However, it should be noted that these costs were ineligible for ERDF support and delegate costs for the one Council officer would be met from the DEP budget.

**RESOLVED** (1) to note the proposed representation for Derby/Derbyshire (D2) at the MIPIIM conference and expo 2019 and the endorsement of Derbyshire Economic Partnership (DEP) Board for attendance by a suitably qualified delegate;

(2) to approve the participation of one Council officer to represent the interests of Derbyshire as part of the D2 delegation;

(3) approves the expenditure for travel, accommodation and subsistence in relation to the conference up to a maximum cost of £2,000 which is to be met from the DEP budget; and

(4) to note the administrative arrangements provided by Marketing Derby and endorses their treatment as a sole supplier in line with Protocol 8 of the Council’s Financial Regulations and awards procedures.