

Agenda Item No. 3(b)

DERBYSHIRE COUNTY COUNCIL

**MEETING OF CABINET MEMBER – ECONOMIC DEVELOPMENT AND
REGENERATION**

18 May 2018

Report of the Strategic Director – Economy, Transport and Environment

**UPDATE ON PROPOSALS FOR THE CONTINUED DEVELOPMENT OF
INTERNATIONAL RELATIONSHIPS BETWEEN TOYOTA CITY,
DERBYSHIRE COUNTY COUNCIL, DERBY CITY COUNCIL AND SOUTH
DERBYSHIRE DISTRICT COUNCIL**

(1) **Purpose of Report** To confirm the proposed programme of Toyota City Partnership activity for the three year period, 2018 – 2021, including: celebrating the 20th anniversary of the Partnership and the investment of Toyota Manufacturing UK at Burnaston, supporting tourism exchange and extended trade relations; and also to seek approval for expenditure of a maximum of £20,000 during this three year period to support this activity

(2) **Information and Analysis**

Background

There have been strong relationships between Derbyshire County Council (DCC), Derby City Council (Derby CC) and South Derbyshire District Council (SDDC) with Toyota City in Japan since 1998 following the opening of the car plant by Toyota Manufacturing UK (TMUK) at Burnaston. Specifically, this relationship has developed to focus on economic and environmental development, education, tourism and culture. In light of the 2016 Referendum and the local importance of the plant at Burnaston, which employs approximately 2,500 people, the nature and importance of the relationship with Toyota City and TMUK has magnified. The development of skills strategies for the D2N2 (Derby, Derbyshire, Nottingham, Nottinghamshire) area and for the wider Midlands Engine has a priority sector focused around transport equipment manufacturing, at the heart of which is TMUK.

Following a report to Cabinet Member meeting on 29 September 2017 (Minute 04/17 refers), DCC, Derby CC and SDDC have been working together as part of the new Toyota City Partnership Development Board (TCPDB), to extend the existing civic relationship with Toyota City to one which supports economic development, environmental best practice and academic and sporting exchange. With this in mind, the 20th anniversary of the International

Partnership with Toyota City, (2018) will provide a platform from which to broker a number of new opportunities. Specifically, in 2019 and 2020, the TCPDB's activity will benefit from additional opportunities presented by Toyota City's role in the Rugby World Cup and the Olympics and Paralympics, both of which are to be held in Japan in 2019 and 2020 respectively.

Furthermore, the continued commitment of Toyota City Council in providing an employee for two years (sponsored by the Japanese Embassy) to work alongside Derbyshire officers will ensure the work of the Partnership continues to grow and succeed.

Toyota City Partnership Development Board

The TCPDB has been in place for four months and has already commissioned and co-ordinated a significant amount of work, at very little direct cost to the DCC. Partners including Derby University, the National Forest, QUAD, as well as Derby CC and SDDC are all committing time and resources over the next three years to ensure the programme of activity is a success. The programme includes:

Educational Exchange

- The University of Derby, working with the National Forest, is actively seeking collaborative research with universities in Toyota. This will include work on issues such as the natural environment and climate change. Other research areas will include sports performance which will help deliver on the 2020 Olympics/Paralympics legacy.
- In time, it is proposed the University will seek further joint activity around engineering, English language and distance learning.
- Toyota City Education Board will again send 28, year 9 students to visit Derbyshire schools in late September 2018. This year the students will stay in Lea Green and children in four Derbyshire schools will benefit from the cultural and educational experience.
- Year 12 students from Toyota will continue to visit Burton and South Derbyshire College.

Developing Economic and Business Links

- A Business Support Service is being developed to use the expertise of TMUK and its supply chain to help local, niche small and medium enterprises (SMEs) into doing business with Japan.
- The Japanese Local Government Council (JLGC) is an important element in the link between Toyota City Council and the UK. Later this year, the councils are looking to increase Derbyshire's collaboration with the JLGC and have agreed to host a JLGC seminar in Derbyshire/Derby on 'business and local government in Japan' which will assist local

businesses in understanding the import/export opportunities and how best to do business with Japan.

- As part of the 20th anniversary, the councils have been invited to promote Derbyshire's visitor economy and other business sectors at Toyota City's Industry Fest in September 2018. As the TCPDB is keen to find new ways to encourage SMEs to develop links between Derbyshire and Toyota, local authorities are working with the East Midlands Chamber of Commerce to identify up to six businesses to accompany the delegation to the Industry Fest. Attendance will include network opportunities and one to one meetings between Derbyshire and Japanese businesses to help develop serious opportunities. It is proposed that up to six officers from the three councils will be attendance at the Industry Fest (potentially including two officers from DCC) to support business development and future international trade links.
- In 2019 and 2020, the TCPDB will seek to promote Derbyshire businesses in Toyota City and wider across Japan (see below).

Cultural and Sporting Exchange

- As part of the build-up in the development of UK/Japan arrangements for the Rugby World Cup and Olympics/Paralympics, a group of young football players will travel from Toyota City to watch and play football in Derbyshire. Toyota City is funding this visit.
- It is proposed the English Football Association will send disabled persons' teams to the Paralympics in Toyota City and further sporting exchanges will likely develop over the coming months in the build up to the World Cup and Olympics.
- Building on the 15th anniversary celebrations when Toyota City exhibited at the Bakewell Baking Festival the 20th anniversary will be celebrated through attendance at the Chatsworth Country Fair to showcase the councils' international friendship with Toyota City and demonstrate Japanese culture. This is being supported by the Duke of Devonshire, TMUK, the Japanese Local Government Centre (JLGC) Derby University and Derby College.

Civic Exchange

- A total of 15 delegates, led by Mayor Ota, will visit Derbyshire in late September/early October 2018. The visit will last for approximately three days and will involve time spent in Matlock, Derby and South Derbyshire. It will include a formal event recognising the 20 year International Partnership with Toyota City and economic contribution of TMUK to the Derbyshire and UK economy. It is proposed that each of the local authorities will take responsibility for hosting and resourcing specific arrangements.

- In recognition of the significance of this International Partnership, a reciprocal, Derbyshire delegation to Toyota City is expected to take place between 14 and 19 November 2018. It is proposed that up to four members and officers from each council form part of the delegation. Given the nature and importance of this visit, senior level representation is expected with accommodation being provided by Toyota City. It is proposed that senior TMUK representatives, the University of Derby and Burton and South Derbyshire College will join the delegation at their own cost.
- Over the last 20 years, significant moments in the International Partnership have been marked by the exchange of reciprocal gifts. This year it is proposed that a single public realm gift for Toyota City be commissioned on behalf of all three councils, with costs shared accordingly.
- In recognition of the significance of TMUK and the International Partnership to the UK economy, Heather Wheeler MP, has agreed to sponsor an event in Westminster on 11 September 2018. Senior representatives from Government departments, such as; Transport, Business, Energy and Industrial Strategy; International Trade; and Local Government are being invited to attend.

(3) **Financial Considerations** Previous budget approval for the 20th anniversary programme in 2018-19 was £12,000. As the programme (see earlier in report) has developed to maximise the business and trade opportunities to now cover a three year period (2018 to 2020), it is expected the total cost will increase to a maximum of £20,000.

The budget is made up of the following: £7,500 which equates to a third of the shared costs (£22,500) for each of the three local authorities. In addition, a further estimate of £6,700 is required to cover direct County Council costs relating to travel, accommodation and miscellaneous costs associated with the delegations. Remainder costs will enable the Board to consolidate the opportunities for education and learning, business support and export, cultural and sporting exchange and environmental/climate change collaboration as part of years 2 and 3 of the programme.

Therefore, the budget of £20,000 for the three year period takes account of all known costs at this stage. All costs will be met from the Economic Regeneration budget.

(4) **Legal Considerations** The previous report in September 2017 made provision for the County Council to sponsor a visa for Toyota City employees who travel to Derbyshire as part of this programme. During the intervening period, the Japanese Embassy has agreed to be the visa sponsor which is greatly appreciated and has led to a reduction in anticipated costs and legal responsibilities.

(5) **Social Value Considerations** The proposed activity supports a wider and deeper understanding of cultural diversity and will enhance the social and economic wellbeing of both residents and businesses in Derbyshire and Toyota City.

Other Considerations

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

(6) **Key Decision** No.

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

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

(9) **OFFICER'S RECOMMENDATIONS** That the Cabinet Member:

- 9.1 Notes and endorses the arrangements in recognition of the 20th anniversary of International Partnership relations with Toyota City and associated investment from Toyota Manufacturing UK.
- 9.2 Approves the expenditure of up to £20,000 in relation to a three year Toyota International Programme as set out in this report.
- 9.3 Approves the proposed Council representation with regard to the Industry Fest and civic delegation to Toyota City and delegates responsibility to the Strategic Director - Economy, Transport and Environment in consultation with the Cabinet Member - Economic Development and Regeneration to confirm attendees, up to the numbers given, in due course.

Mike Ashworth
Strategic Director- Economy, Transport and Environment