

**MINUTES** of a meeting of the **CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND REGENERATION** held on 18 May 2018 at County Hall, Matlock

**PRESENT**

Cabinet Member – Councillor T King

Also in attendance – Councillor R Mihaly

**09/18** **MINUTES RESOLVED** that the minutes of the meeting held on 16 March 2018 be confirmed as a correct record and signed by the Cabinet Member.

**10/18** **DEVELOPING THE DERBYSHIRE: CHINA RELATIONSHIP** The Cabinet Member was updated on progress towards securing Derbyshire representation in China via the China Britain Business Council (CBBC) “Launchpad” service and sought approval for a small increase in the budget to accommodate additional estimated costs.

At the meeting on 5 October 2017, Cabinet considered and approved proposals to further develop international trade and working relations with China building on the original friendship agreement signed with Anhui Province in June 2016 (Minute No.284/17 refers).

As part of the arrangements, officers had worked with colleagues from Derby City Council to commission the CBBC “Launchpad” service to secure dedicated representation for Derby and Derbyshire interests in China, and specifically in Anhui Province.

The “Launchpad” service provided a cost-effective, low risk and legally compliant means of having a presence in China by employing a dedicated Project Director engaged in the role as a ‘business envoy’. The post holder would be employed by CBBC but accountable to, and directed by, the two local authorities.

Given the level of activity currently being undertaken by Derby University in Anhui Province, it was likely the Project Director would be able to assist in co-ordinating discussions between the education sector as well as facilitating business to business discussion. Negotiations regarding the commissioning of Launchpad had been led by Derby City Council and the contractual arrangements considered by legal officers at both councils. The proposed Project Director would be based in Nanjing (CBBC Headquarters) and in Anhui

Province, where bespoke arrangements had been agreed with the University of Derby to provide a local office at Hefei University. This would ensure there was a single 'front door' for business to business support between Derbyshire and Anhui.

To ensure appropriately qualified and experienced candidates were attracted to this post, a job profile had been agreed with CBBC for a Project Director. Expert advice had been received from CBBC and it had been proposed that the salary for the post be increased from the proposed £18,500 per year (12,500 RMB per month, as per previous Cabinet report) to a maximum of £29,500 per year which is an increase of £11,000. The increased salary recognised additional responsibilities agreed between CBBC and the two local authorities over the past few months, the flexibility to work across two base locations; and the strategic level at which the resource would act as an envoy (both politically and commercially). The salary level had been advised as the most suitable to attract an appropriate candidate from the talent pool available in Hefei. The total cost of the project over two years is estimated at £124,000, which includes the new salary level, on-costs, a CBBC management fee and job related expenses. This cost was to be divided equally between the Council and Derby City Council.

Following approval, recruitment would commence, led by CBBC with input and decisions being made by the two local authorities. The Project Director will be appointed by end of June 2018.

The current budget approval, by Cabinet on 5 October 2017, was for £26,000 per annum over a two year period (£52,000 in total) which represented a 50% share of the total estimated costs for the "launchpad" service (Minute No. 284/17 refers).

The overall estimated increase in costs had risen from £52,000 to £62,000 per annum (the maximum salary increase was £11,000 and contingencies in the overall project costs would cover the £1,000 difference) and would therefore require an annual increase in the County Council's budget from £26,000 to £31,000. Funding to be taken from the Economy and Regeneration budget per annum over two years 2018-19 and 2019-20.

**RESOLVED** to approve an increase in budget from £26,000 to £31,000 per annum for the next two years to fund the Project Director to be funded from the Economy and Regeneration core budget.

**11/18 UPDATE ON PROPOSALS FOR THE CONTINUED DEVELOPMENT OF INTERNATIONAL RELATIONSHIPS BETWEEN TOYOTA CITY, DERBYSHIRE COUNTY COUNCIL, DERBY CITY COUNCIL AND SOUTH DERBYSHIRE DISTRICT COUNCIL** The Strategic Director of Economic, Transport and Environment, 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 sought approval for expenditure of a maximum of £20,000 during this three year period to support this activity.

Following a report to a Cabinet Member meeting on 29 September 2017(Minute 04/17 refers), DCC, Derby CC and SDDC had 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 supported economic development, environmental best practice and academic and sporting exchange. With this in mind, the 20<sup>th</sup> anniversary of the International Partnership with Toyota City, (2018) would provide a platform from which to broker a number of new opportunities. Specifically, in 2019 and 2020, the TCPDB's activity would benefit from additional opportunities presented by Toyota City's role in the Rugby World Cup and the Olympics and Paralympics, both of which were 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 would ensure the work of the Partnership continued to grow and succeed.

The TCPDB had 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 included, Educational Exchange; Developing Economic & Business Links; Cultural & Sporting Exchange and Civic Exchange and details of each were given in the Strategic Director's report.

Previous budget approval for the 20<sup>th</sup> anniversary programme in 2018-19 was £12,000. As the programme had developed to maximise the business and trade opportunities to now cover a three year period (2018 to 2020), it was expected the total cost would increase to a maximum of £20,000.

The budget was made up of the following: £7,500 which equated to a third of the shared costs (£22,500) for each of the three local authorities. In addition, a further estimate of £6,700 was required to cover direct County Council costs relating to travel, accommodation and miscellaneous costs associated with the delegations. Remainder costs would 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 took account of all known costs at this stage. All costs would be met from the Economic Regeneration budget.

**RESOLVED** (1) to note and endorses the arrangements in recognition of the 20<sup>th</sup> anniversary of International Partnership relations with Toyota City and associated investment from Toyota Manufacturing UK;

(2) to approve the expenditure of up to £20,000 in relation to a three year Toyota International Programme as set out in this report;

(3) to approve the proposed Council representation with regard to the Industry Fest and civic delegation to Toyota City and delegated 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; and

(4) that the Cabinet Member contact the leader of Chesterfield Borough Council to invite them to be represented on the Toyota City Partnership Development Board.