

Agenda Item No. 7(b)

DERBYSHIRE COUNTY COUNCIL

CABINET

1 November 2016

Report of the Strategic Director – Economy, Transport and Communities

**GROWING AND DEVELOPING THE VISITOR ECONOMY SECTOR WITHIN
DERBYSHIRE – EUROPEAN REGIONAL DEVELOPMENT FUND
PROJECT (STRATEGIC POLICY, ECONOMIC DEVELOPMENT AND
BUDGET)**

(1) **Purpose of Report** To seek Cabinet approval to confirm the commitment of £150,000 to support the “Growing and Developing the Visitor Economy Sector within Derbyshire” project, to seek authorisation for entering into a Partnership Agreement and the recruitment of a project funded post to deliver the relevant activities on behalf of the county council.

(2) **Information and Analysis**

Background

At the meeting of the Cabinet Member – Strategic Policy, Economic Development and Budget, on 3 November 2015, approval was given to provide £150,000 match funding over three years towards the delivery of the “Growing and Developing the Visitor Economy Sector within Derbyshire” project (Minute No. 375/15 refers). The confirmation of match funding from all delivery partners enabled the project to submit a full application for funding through the D2N2 (Derby, Derbyshire, Nottingham and Nottinghamshire) European Structural and Investment Fund (ESIF) as part of the European Regional Development Fund (ERDF) Priority Axis 3 strand (Enhancing the Competitiveness of small and medium sized enterprises).

Following appraisal, the project was approved by the Department for Communities and Local Government (DCLG) in September 2016 with a full project cost of £1,486,410 (50% funded by ERDF). The applicant and lead partner is Marketing Peak District and Derbyshire (with East Midlands Chamber as accountable body), working alongside delivery partners Peak District National Park Authority, Derbyshire Dales District Council, High Peak Borough Council and Derbyshire County Council.

The Project

The project will support the capacity of small and medium sized enterprises (SMEs) in the visitor economy sector and its supply chains to grow in regional, national and international markets. It will do this by providing enterprises with support through business advice and guidance, expertise and knowledge needed to access new and emerging markets that have been identified by Visit England. It will also support the sector to achieve economic growth within its domestic markets by aligning provision through the D2N2 Growth Hub.

The project will deliver support across a number of key strands:

- Pedal Peak Business Initiative – building upon the success of the Tour de France, the Women's Tour, Eroica and the Summer of Cycling, activity will seek to increase the competitiveness of SMEs through a focus on growth of the visitor economy and its supply chains particularly linked to cycling;
- Inspired by the Peak District – the development and expansion of the 'Inspired by the Peak District' brand initiative to provide more visitor economy businesses with the opportunity to develop a marketing edge from their association with the high quality Peak District environment;
- Promoting Derbyshire Products (Made in Derbyshire) – a programme of activities to support primarily the food and drink, creative and heritage sectors, including linking local suppliers to key promotional events (for example food fairs and cycling events); providing focused business support workshops (e.g. supplier days) and developing a "virtual market place" through social media;
- Supporting Market Towns – working with town teams to develop the offer of individual locations for visitors and integrating the diverse offer of Derbyshire's market towns within an integrated countywide offer; and
- New and Emerging Consumer Markets – helping businesses to exploit new markets to boost competitiveness and resilience, notably international visitors, accessibility for disabled visitors, business tourism etc.

The Council will be responsible for delivering the "Supporting Market Towns" and complementary "Promoting Derbyshire Products" strands of the project.

Both strands have been designed in response to the Derbyshire Economic Partnership (DEP) Market Towns Investment Plan, the Derbyshire Economic Strategy Statement (DESS) and the D2N2 Tourism Impact Study which highlight the important role that market towns play with regards the visitor economy and the wider economic benefits that can be gained by a successful market town.

The project will therefore work with those market towns that have the potential to become visitor economy hubs and improve on those market towns that

already host many visitors attracted by the destination and have the aspiration to grow. Activity will focus on bringing local businesses together to identify how they can improve the quality of the offer to create places where visitors want to stay and dwell, shop, eat, drink, and return to, which in turn will bring about huge economic benefit, by way of jobs and vibrant places to live and invest.

Work will be undertaken to overcome some of the barriers and required actions, and will focus delivery on the following:

- Supporting the development of sustainable town teams/town centre partnerships to drive place management and growth;
- Re-introduction of markets, attracting a range and diversity on offer using locally produced food and drink where possible;
- Providing incubation opportunities for start-up businesses within markets and vacant town centre premises;
- Re-locate markets from poor locations to areas of greater footfall, and complementary visitor offers;
- Co-ordinated marketing activity to support the different and distinct offer of Derbyshire's market towns within the context of Derbyshire as a visitor destination;
- A more co-ordinated approach for local events/ better coordination of events and attractions – celebrating the historical, cultural, and environmental diversity of the area;
- Link local food producers and public houses and restaurants to drive up the quality of local services to visitors, meeting the expectations of visitors, with the aim of increasing demand;
- Complement and support the Pedal Peak Initiative by encouraging market towns to become cycling friendly;
- Attract additional visitors resulting in civic pride and genuine local and economic benefits for all our communities; and
- Exploit the potential of digital/social media to support market town businesses.

In order to deliver the project, resources have been included to employ a new Market Towns Development Co-ordinator and project funding will be used to commission appropriate business support and events to support delivery of the above objectives within the identified market towns. The new post is subject to job evaluation and it is planned to recruit to ensure the "Supporting Market Towns" strand can commence in early 2017.

The "Promoting Derbyshire Products" strand will be managed by the new postholder and will complement the proposed market town activity and build upon previous promotional activity such as "Inspired by the Peak District" and "Made in Derbyshire". Although not exclusive, a key focus will be on food and drink businesses by supporting local supply chain development between

producers and visitor economy businesses “field to plate”, thereby reducing food miles whilst promoting growth between the two inter-dependent sectors. In addition, support will be provided to drive up quality including the potential re-introduction of a new “Taste Derbyshire” quality standard scheme. Food and Drink is a key growth sector for D2N2 and activity through this strand will support objectives published in the D2N2 Food and Drink Manufacturing Strategy and Action Plan.

However, following the EU Referendum decision, the Government confirmed in August 2016, that projects with Funding Agreements or contracts in place before the Autumn statement will be funded, even if projects will continue beyond the date of the UK's exit from the EU. The impact of the Autumn Statement deadline is that the timescale for full applications to be contracted has been significantly shortened.

(3) **Financial Considerations** The total budget for Council-led activities as part of the wider project is £300,000 which consists of 50% ERDF and 50% from the approved Council match funding. In line with the previous approval, Council funding has been allocated for the three years of the project from the Economy and Regeneration budget.

(4) **Legal Considerations** The Director of Legal Services will advise as necessary on the Partnership Agreements with East Midlands Chamber on behalf of Marketing Peak District and Derbyshire.

(5) **Human Resources Considerations** The new post will be entirely funded within the EDRF envelope. The post will be subject to Derbyshire County Council job evaluation processes, as the employing authority, and the post will be aligned to the Economy and Regeneration service

(6) **Social Value Considerations** Supporting growth in SMEs and related supply chains will provide employment opportunities for the local labour market across Derbyshire's economic sectors.

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

(7) **Key Decision** No.

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

(9) **Background Papers** Held on file within the Economy, Transport and Communities Department. Officer contact details – Frank Horsley, extension 38348.

(10) OFFICER'S RECOMMENDATIONS That Cabinet:

- 10.1 Notes the approval of the "Growing and Developing the Visitor Economy Sector within Derbyshire" European Regional Development Fund project and confirms Derbyshire County Council's match funding as previously agreed.
- 10.2 Agrees to delegate to the Strategic Director - Economy, Transport and Communities, agreement and signing of the final approval of a Partnership Agreement with East Midlands Chamber Ltd on behalf of Marketing Peak District and Derbyshire, in consultation with the Cabinet Member for Strategic Policy, Economic Development and Budget.
- 10.3 Approves the recruitment of a project funded Market Towns Development Co-ordinator (subject to job evaluation) to manage delivery of Council-led activity.

Mike Ashworth
Strategic Director – Economy, Transport and Communities