

**DERBYSHIRE COUNTY COUNCIL**

**CABINET**

**5 March 2013**

**Report of the Deputy Chief Executive and Strategic Director Health and  
Community Safety**

**DERBYSHIRE ECONOMIC TRADE AND INVESTMENT STRATEGY -  
DRAFT 16 POINT ACTION PLAN**

**Purpose of the Report**

To enable consideration to be given to a draft Derbyshire Economic Trade and Investment Strategy – Action Plan.

**Information and Analysis**

Derbyshire exists within a global economy and international market with strong traditions of innovation, thriving clusters of excellence covering aerospace, advanced manufacturing and digital technologies. The county is also becoming a location of choice for research and development, food and drink companies and creative industries.

In the early to mid-1990's, following the attraction of Toyota's principle European manufacturing plants in South Derbyshire and other companies to Derbyshire, the main thrust of the council's regeneration activities was on international inward investment.

When the Regional Development Agencies were established they took on the international role and the council's focus moved more towards support for the county's existing industry through indirect business support and direct land transfer initiatives following closure of coal mining such as Markham Vale.

Today, Local Enterprise Partnerships are establishing the sustainable business support model for a globally competitive private sector capable of generating the growth, jobs and wealth. In supporting growth opportunities wherever they exist, the public sector plays a key role in enterprise and innovation and, as the largest employer in Derbyshire, it is an appropriate and opportune time for the council to employ its own productivity and partnership credentials to more actively promote business investment and growth activities.

Derbyshire's economy is worth around £10.85bn per year and supports a workforce of 275,400. The key sectors of industry which drive the Derbyshire economy are Advanced Engineering, Construction and Manufacturing, Food and Drink, Research and Development, Tourism and Creative Industries.

Agriculture and Aggregates also play a big part in the County's economic infrastructure with 80% of Derbyshire being classified as rural.

Manufacturing accounts for almost one fifth (18.9%) of all employment, compared to the England average of 8.8%. Two other sectors account for the majority of employment within Derbyshire, these are public sector (31%) and distribution, hotels and restaurants (26.4%) and 23.6% professional and self-employed. Only 14% are employed in medium and large employers.

Small and big businesses are very different and with limited finance and investment support. The self-employed and small business owner continue to miss national, regional and even local growth and procurement opportunities.

To complement and deliver the Government's "Plan for Growth" and build economic resilience as set out in the "Local Growth" White Paper, it is proposed to refocus the council's specific regeneration activity on supporting and facilitating (1) export to growth and (2) investment in Derbyshire. Such activity will support D2N2 and the Sheffield City Region LEPs and underpin the strategic priorities and service delivery of the Derbyshire Economic Partnership as set out in the Derbyshire Economic Strategy Statement.

These two activities will benefit existing local businesses as well as attracting new companies into the county and can be grouped within four key areas:-

- Image building and promotion of Derbyshire as an attractive business and investment location
- Attraction of overseas companies to locate within Derbyshire
- Attraction of foreign investment in existing Derbyshire enterprises
- Development of overseas business opportunities for Derbyshire companies and the public sector

Existing budgets and external resources will be utilised and it is proposed to build an Action Plan based on the following 16 points:

Image Building – to build the image and increase the general awareness of Derbyshire:

- Encourage and support the Destination Management Partnership (Visit Peak District and Derbyshire) to extend its remit and activities into place marketing.
- Refocus the county's 30 plus overseas cultural links in Asia, America, Europe and elsewhere strengthening our language skills and cultural focus onto economic relations.
- Encourage collaboration between local and overseas universities and colleges similar to Nottingham University's Chinese and Malaysian models.

- Facilitate awareness programmes for overseas students in local universities and colleges and expand the overseas schools exchange programmes building on the annual Toyota City/Derbyshire schools model.
- Seek to develop projects eligible for funding through the 'Europe for Citizens' programme which supports cultural ties and citizen activities.

Attraction of Overseas Companies – to help expand the Derbyshire economy:

- Further develop the Derbyshire Economic Partnership's 'Invest in Derbyshire' service as an effective response to enquiries generated by UKTI and other sources.
- With D2N2 support widen the overseas marketing activities of Marketing Derby and Invest in Nottingham to include the surrounding county areas.
- Create a network of volunteer Derbyshire Envoys to help promote the county and its companies on the back of their own overseas activities.
- Stimulate more effective relationships with local foreign owned companies looking for potential local expansion of supply chain activities.

Attraction of Foreign Investment – to support the expansion of existing local enterprises :

- Promote to local companies the potential of foreign investment by publishing case studies in Business First and Chamber of Commerce, FSB and other publications
- Capture foreign investment opportunities by encouraging local entrepreneurial involvement in UKTI, Chamber of Commerce and other overseas trade missions.
- Encourage SME involvement in Crowd Funding type websites, such as Funding Circle/Crowd Funder/Wefund, or through supporting the development of a bespoke Derbyshire site.

Overseas Business Opportunities – to help create business in overseas markets:

- Encourage collaboration between sectoral SMEs, in the creative and tourism sectors for instance, on overseas marketing.
- Extend the 'Derbyshire Big Deals' initiative to provide overseas marketing and travel discounts for local SMEs.

- Develop a network of volunteer Mentors, and potential local venture capital investor Partners to support SMEs in seeing the opportunities of and participation in overseas marketing initiatives.
- Support SMEs in identifying appropriate opportunities and funding for involvement in overseas trade missions.

The County Council is working with the City Council to support the implementation of the successful Regional Growth Fund bid to provide benefit to businesses and the economy outside the city boundary which will support this Plan.

The County Council is also leading the development of a bid for submission through the recently announced Regional Growth Fund Round 4. The proposal will focus on providing access to funding for Derbyshire businesses to facilitate trade growth and job creation, which is otherwise not available to smaller businesses due to the minimum bid amount of £1 million. Grants will be available to support activity across the four key strands in the Action Plan and will complement other Council priorities, notably Digital Derbyshire. The submission will be headed by the Derbyshire Economic Partnership with the County Council as the accountable body and lead partner. The deadline for submissions is 20 March 2013.

This draft 16 point Action Plan is put forward to stimulate discussion on the most effective elements of an Economic Trade and Investment Strategy. Following consultation with appropriate partners, a further report on the proposed Plan will be brought to Cabinet.

### **Financial Considerations**

The financial implications of the programme will be met from the existing regeneration budget and external sources, such as the Regional Growth Fund and the European Regional Development Fund.

### **Other Considerations**

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

**Key Decision** No.

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

**Background Papers** Files in the Regeneration Unit.

### **OFFICER'S RECOMMENDATION**

That the draft Derbyshire Economic Trade and Investment Strategy – Action Plan be approved for consultation with partners and a further report be made to Cabinet in due course.

**David Lowe**  
**Deputy Chief Executive**  
**Strategic Director Health and Community Safety**