



DERBY CITY COUNCIL

COUNCIL CABINET 17 January 2005

Cabinet Member for Personnel, Performance Management and Economic Development

Supporting Derby project

SUMMARY

- 1.1 Partners working through the Prosperous City Executive of Derby City Partnership have developed a project to help local people take up forthcoming job opportunities at the redeveloped Eagle Centre by targeting training programmes and assisting companies with recruitment.
- 1.2 The “Supporting Derby” project has secured funding under Derby and Derbyshire Economic Partnership’s £300,000 allocation to Derby to employ a Project Manager and support the development of a training centre. The Council has been a key partner in the initiative and is best placed to be the Accountable Body.
- 1.3 The project will develop a model for partnership working on employment and skills that can be rolled out to future developments within Derby. It will be an important way of supporting the retail sector in the City, which has been identified as a growth area of the local economy through the City Growth Strategy project.
- 1.4 Subject to any issues raised at the meeting, I support the following recommendations.

RECOMMENDATION

- 1.1 To agree to the Council acting as Accountable Body for the Supporting Derby project.
- 1.2 To retrospectively approve a bid for external funding to pay for the “Supporting Derby” initiative and to approve the launch of the project.
- 1.3 To approve the addition of capital elements of the project to the Regeneration & Community capital programme, and to commence the scheme subject to written confirmation that all the external funding is in place.

REASONS FOR RECOMMENDATION

- 2.1 The project is strategically important within Derby City Partnership and is included in the Community Strategy. It will help develop a model for structured partnership working on new developments and investment in Derby City that will maximise the benefits for local residents. In particular, the project targets new job and training opportunities to local people.



Supporting Derby project

SUPPORTING INFORMATION

- 3.1 Developments are planned for Derby that will bring significant investment and jobs to the city. Derby City Council and Derby City Partnership are committed to maximising the benefits of these developments for Derby residents, particularly those in target communities and target groups.
- 3.2 The redevelopment of the Eagle Centre by Westfield Shoppingtowns represents an investment of £300 million, and the creation of up to 2,650 jobs when the Centre is fully open. Partners in Derby City Partnership, including JobCentre Plus, the Learning and Skills Council and Derby City Council, recognised the need to proactively work with Westfield to maximise the employment opportunities arising from the redeveloped Eagle Centre for Derby residents, and particularly those from deprived neighbourhoods and target groups. The model will then be developed and repeated for other significant projects in both the city and the county, for example those emerging from the Derby Cityscape Masterplan for physical regeneration in Derby.
- 3.3 Partners have investigated a similar project recently undertaken in Birmingham around the re-development of the Bull Ring Centre, which successfully ensured an initial 2,604 people took up jobs in the Bull Ring. Of these, 80% had been previously unemployed, 89% lived in target communities within Birmingham and Solihull and 48% were from black and minority ethnic groups. The project also ensured that displacement of staff from existing retail businesses was minimised.
- 3.4 A Steering Group has been set up with representatives from the main partners to look at the Bull Ring model and develop a similar project to support the retail sector in Derby – “Supporting Derby”. The group currently reports to the Prosperous City Executive within Derby City Partnership. Due to the significance of the Supporting Derby project in addressing the employment, skills and neighbourhoods agendas in the city, and due to the current period of transition in both the LSC and JCP, Derby City Council is considered to be best placed to act as Accountable Body for the project.

- 3.5 The Steering Group identified the opportunity earlier this year to apply for funding under the Derby and Derbyshire Economic Partnership's allocation of £300,000 to Derby City Partnership. An application for funding from this source was submitted, appraised and approved, which will pay for the employment of a Project Manager to establish and develop the partnership model and engage with Westfield and the retail sector in Derby. The project also includes some capital spend to support the setting up of a training centre. Subject to Cabinet approval, officers will launch the recruitment process for the Supporting Derby Project Manager in January 2006

OTHER OPTIONS CONSIDERED

- 4.1 The project developed in Birmingham was successful in helping local residents, particularly those from target groups take up job opportunities at the Bull Ring Centre. This has been used as a model of best practice in developing the Supporting Derby project.
- 4.2 Derby City Partnership must work proactively with developers to make sure that Derby residents directly benefit from investment through accessing training and taking up job opportunities.

For more information contact: Catherine Williams 01332 716349
catherine.williams@derby.gov.uk
Background papers: Papers on file at Room C223G Celtic House
List of appendices: Appendix 1 - Implications

IMPLICATIONS

Financial

- 1.1 The project is fixed term until 31/03/07 although there is a possibility that it could be extended if further funding can be obtained. Although the Council is acting as Accountable Body, there is no cost to the Council as it is fully funded from external sources. The funding includes cash and in-kind contributions from the LSC, JobCentre Plus and Westfield.
- 1.2 The projected budget and funding package for the project, as outlined in the funding application is as follows:

	2005/06	2006/07	Total
Capital			
Training equipment	£45,000	£45,000	£90,000
Revenue			
Project manager	£25,515	£43,433	£68,948
Recruitment costs	£3,000		£3,000
Rent	£7,595	£13,390	£20,985
Training costs	£40,000	£165,000	£205,000
Promotion	£5,000	£5,000	£10,000
Beneficiary support	£8,000	£50,000	£58,000
Total cost	<u>£134,110</u>	<u>£321,823</u>	<u>£455,933</u>

Source of Funding				Status of funding
DDEP	£72,500	£75,000	£147,500	Confirmed - awaiting funding agreement
Learning & Skills Council	£40,000	£165,000	£205,000	Confirmed
Job Centre Plus	£8,000	£50,000	£58,000	Confirmed
Private Sector	£13,610	£31,823	£45,433	Confirmed in principle – awaiting funding agreement
Total funding	<u>£134,110</u>	<u>£321,823</u>	<u>£455,933</u>	

- 1.3 DDEP as the main funder allocates funding by financial year. There is a requirement to act quickly on this project in order to spend the 2005/06 allocation before 31 March 2006, or the project risks losing any unspent funding.

Legal

- 2.1 As Accountable Body Derby City Council will need to sign a funding agreement with Derby City Partnership in order to draw down the money allocated to this project.

Personnel

- 3.1 The project budget includes provision for the salary and on-costs of a Project Manager. As Accountable Body Derby City Council would be the employer of this post. The City Development & Tourism Section has experience of operating externally funded projects and associated fixed term contracts for project managers. A formal Job Description, Person Specification and grading will be finalised subject to Cabinet approval of the recommendations of this report.

Equalities impact

- 4.1 The aims and objectives of the Supporting Derby project are to enable target communities and excluded groups to access the training they need to take up new job opportunities created as a result of investment and development in Derby City.

Corporate objectives and priorities for change

- 5.1 The proposal comes under the Council's Objectives of a prosperous, vibrant and successful economy and a shared commitment to regenerating our communities.