REPORT TO: FINANCE & MANAGEMENT AGENDA ITEM: 10

COMMITTEE

DATE OF 30 AUGUST 2018 CATEGORY: MEETING: DELEGATED

REPORT FROM: CHIEF EXECUTIVE OPEN

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SUBJECT: TOYOTA CITY REF:

WARD(S) ALL TERMS OF

AFFECTED: REFERENCE: FM 08

1.0 Recommendations

1.1 It is recommended that the Committee:

- Recognise the importance of the relationship with Toyota City to South Derbyshire, particularly in terms of inward investment and employment.
- Support the activities of the Toyota City Partnership Development Board.
- Allocate a one-off budget of £14,500 from General Fund Reserves to support the allocation of resources to further develop this successful relationship for the benefit of the local economy.

2.0 Purpose of Report

- 2.1 To report on the strengthening of a long-standing international link with Toyota City in Japan that has brought thousands of jobs and over a billion pounds in investment to South Derbyshire over the last twenty years.
- 2.2 To seek approval for the allocation of resources to continue to work with Toyota City in order to broaden and further develop this successful relationship for the benefit of the local economy.

3.0 Detail

Toyota Motor Manufacturing (UK) Limited

- 3.1 In 2017 Toyota Motor Manufacturing (UK) Limited (TMUK) announced a further £240 million investment in Burnaston. The plant will be progressively upgraded with new equipment, technologies and systems, enabling production of vehicles on the Toyota New Global Architecture (TNGA) platform improving plant competitiveness and promoting UK supply chain efficiencies. In 2018 it was announced that the third generation Auris model would be made at Burnaston, based upon the new TNGA platform. By 2020 the majority of Toyota's global models will be built using TNGA platforms.
- 3.2 Since production began in 1992 more than 4 million vehicles have been manufactured at Burnaston. The plant has the distinction of being Toyota's first

centre for hybrid vehicle manufacturing in Europe. It also enjoys global status as a Toyota eco-plant, promoting excellence and best practice in environmental matters, from energy-efficient manufacturing to the on-site harnessing of sustainable energy and the promotion of biodiversity.

3.3 Over 3,000 people are employed at Burnaston and at TMUK's engine plant in Deeside, which supports a thriving supply chain and pumps millions of pounds into the local economy every year. TMUK also continues to support a range of local educational and community activities.

Toyota City Partnership Development Board

- 3.4 An officer from Toyota City Council is now based in the UK at most times to help coordinate the international relationship and associated activities, working with officers from the District Council, Derby City Council and Derbyshire County Council. This team has overseen the expansion of the partnership with the involvement of additional organisations and the further development of activities focused on the economy, tourism, the environment and sport.
- 3.5 The partnership was established as a Board in February 2018, facilitated by Derbyshire County Council. Terms of reference for the Board can be found at Appendix A. Membership of the Board includes the three local authorities, TMUK, the University of Derby, Burton & South Derbyshire College, Derby College, the National Forest Company, Marketing Peak District & Derbyshire, Repton School and East Midlands Chamber.
- 3.6 Building on the existing cultural and educational links, annual exchanges for young people have been established between schools in Toyota City and Burton & South Derbyshire College and between Repton School and Toyota West High School. Meanwhile the National Forest Company featured at a United Nations Environmental Symposium hosted in Toyota City in January 2015.
- 3.7 The new Toyota City Partnership Development Board has the following objectives:
 - Develop the Toyota twinning partnership through the direction of an agreed programme of activity;
 - Ensure all partner activity in relation to Toyota City is co-ordinated and communicated to all partners including the development of virtual/social media platforms;
 - Support the development of relevant exchange activity between Toyota and Derbyshire including officer, project, business, schools and colleges related activity;
 - Consider and develop relevant new initiatives to enhance the partnership focusing primarily on economic development, tourism and the environment;
 - Lead the development of new sporting links in recognition of the Rugby World Cup 2019 and the 2020 Olympiad;
 - Seek new methods of resourcing the partnership through commercial sponsorship and external funding;
 - Act as a figurehead body for Derbyshire in establishing strong working relationships with HM Government in light of the Japan-UK Joint Vision Statement; and,
 - Promote the Board locally, regionally and nationally to further these objectives.

Twentieth Anniversary Activities

- 3.8 In 2018 South Derbyshire, Derby City and Derbyshire will celebrate the twentieth anniversary of their relationship with Toyota City. The Anniversary is the beginning of a period that will see Toyota City as a host city for Rugby World Cup 2019 and a pre-Games training camp for the 2020 Olympics & Paralympics in Tokyo.
- 3.9 An Anniversary programme of events and activities commenced with a business workshop on 'Exporting to Japan', kindly sponsored by TMUK, which will also support a sporting delegation of young people during their exchange visit to Derbyshire this Summer. The remainder of the proposed programme envisages a mix of business, civic, cultural and educational activities.

4.0 Financial Implications

4.1 It is proposed that an amount of £14,500 be allocated from General Reserves to support the further development of joint initiatives. It is anticipated that this funding will be utilised over several years to facilitate visits and the acquisition of project materials, as required.

5.0 Corporate Implications

5.1 The relationship between Derbyshire and Toyota City directly contributes to the Corporate Plan's vision of 'making South Derbyshire a better place to work, live and visit', in particular to the People theme – keeping residents happy, health and safe, enjoying a good quality of life with low unemployment – and the Progress theme – encouraging inward investment and tourism opportunities, showing that South Derbyshire is well and truly open for business.

6.0 Community Implications

6.1 The relationship between Derbyshire and Toyota City directly contributes to the South Derbyshire Partnership's Sustainable Community Strategy vision of 'a dynamic and caring South Derbyshire, able to seize opportunities to develop and empower successful communities, whilst respecting and enhancing the varied character of our fast growing and diverse district'. 'Sustainable Development' is highlighted as a key theme, with the aim of achieving 'a more prosperous, better connected, increasingly resilient and competitive South Derbyshire economy'.

7.0 Conclusions

7.1 As the rewards of the relationship with Toyota City continue to grow, it is recommended that Members support the allocation of resources to further develop the benefits for the local economy and community of South Derbyshire.

Appendix A: Terms of Reference for Toyota City Partnership Development Board



TOYOTA CITY PARTNERSHIP DEVELOPMENT BOARD

Terms of Reference

1. Purpose & Role of Board

- 1.1 The Board will have the purpose of further developing and enhancing the wider partnership vision (beyond the civic) for the Toyota friendship by bringing together key economic and cultural stakeholders to work positively alongside the three twinning Councils. The Board will have the following objectives:
 - Develop of the Toyota twinning partnership through the direction of an agreed programme of activity
 - Ensure all partner activity in relation to Toyota City is co-ordinated and communicated to all partners including the development of virtual/social media platforms
 - Support the development of relevant exchange activity between Toyota and Derbyshire including officer, project, business, schools and colleges related activity;
 - Consider and develop relevant new initiatives to enhance the partnership focusing primarily on the economic development, tourism and the environment;
 - Lead the development of new sporting links in recognition of the Rugby World Cup 2019 and the 2020 Olympiad.
 - Seek new methods of resourcing the partnership through commercial sponsorship and external funding
 - Act as a figurehead body for Derbyshire in establishing strong working relationships with HM Government in light of the Japan-UK Joint Vision Statement
 - Promote the Board locally, regionally and nationally to further these objectives

2. Guiding Principles

- 2.1 The following guiding principles will underpin the work of the Board and any sub-Board and working groups:
 - All partners will recognise and reference the Derbyshire-Toyota twinning friendship when developing projects and activities
 - Any activity related to the Derbyshire-Toyota twinning link will be reported back to the Board to ensure all partners are aware and the programme can remain co-ordinated
 - Any formal contact with Toyota City Council and the Mayor's Office should be coordinated through Derbyshire County Council as lead partner within the civic arrangements

- All partners will endeavour to develop activity in line with the priorities agreed by the Board
- 2.2 The following values will be adopted by the TCP Board in conducting its business:
 - Transparency, openness and accountability
 - Probity and integrity
 - Equality
 - Sustainability
 - Ambition
 - Respect
 - Inclusiveness

3. Membership

- 3.1 The Board will consist of senior representation of partners and stakeholders currently engaged in activity with Toyota and relevant to three primary drivers of economy, tourism and the environment as well as the new theme of sport.
- 3.2 In recognition of the civic twinning relationship being at the heart of the relationship, it is proposed that the Board is chaired by a lead Cabinet Member from Derbyshire County Council.
- 3.3 The Board will include representation from the following partners and stakeholders (including appropriate level and support):
 - Derbyshire County Council Member (supported by Senior Officer)
 - Derby City Council Member (supported by Senior Officer)
 - South Derbyshire District Council Member (supported by Senior Officer)
 - TMUK Director/Senior Manager
 - University of Derby PVC/Director
 - Burton and South Derbyshire College Principal/CE
 - Derby College Principal/CE
 - National Forest Company CE/Director
 - Managing Peak District & Derbyshire CE/Director
 - Repton School Head/Senior Manager
 - East Midlands Chamber CE/Senior Rep
- 3.4 The Board reserves the right to co-opt additional membership if deemed appropriate as the programme develops.

4. Governance

- 4.1 Wherever possible, any actions or recommendation agreed will be decided by consensus with the Chairman acting as arbiter on any dispute.
- 4.2 The Board will have the right to establish sub groups or action focussed time limited working groups to deliver specific areas of work and can co-opt other organisations as appropriate.
- 4.3 Due to the non-executive nature of the group, substitutes for nominated members are acceptable but the level of seniority should be appropriate to the high level, strategic nature of the Board.
- 4.4 The Chair shall convene meetings of the Board with support from Derbyshire County Council.
- 4.5 The Board will seek to undertake business through any "virtual" arrangements agreed by the Board

5. Meetings

- 5.1 The Board will meet quarterly as a matter of course.
- 5.2 To be quorate, a meeting must include representatives from a minimum of 5 of the partners set out in section 3.3
- 5.3 The Chair reserves the right to call a meeting if the activities of Board require strategic direction or specific consideration to proceed.
- 5.4 If it is not possible to convene additional meeting as set out at 5.3, the Chair will seek to undertake consultation on any Board matter virtually (normally via email) if required.
- 5.5 The minutes will be recorded and distributed following sign off from the Chairman. Agenda and background reports will be circulated at least 3 days before the arranged meeting.

6. Management Arrangements & Accountability

- 6.1 The Board will be supported directly by the Economic Regeneration service at the County Council working alongside the Toyota Twinning Development Team comprising of key officers from the three local authorities.
- 6.2 Any activity undertaken by agreed sub-groups/working groups will be reported regularly to the Board.

7. Review

- 7.1 A co-ordinated programme of activity will be managed and updated by the County Council with support from the Toyota Twinning Development Team
- 7.2 A brief annual review of activity will be published every 12 months for consideration and sign off by the Board.
- 7.3 The terms of reference of will be reviewed every two years to ensure continued relevance to the purpose of the Board.