
REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 11
DATE OF MEETING:	9 FEBRUARY 2023	CATEGORY: DELEGATED
REPORT FROM:	CHIEF EXECUTIVE	OPEN
MEMBERS' CONTACT POINT:	FRANK MCARDLE (01283 595702) frank.mcardle@southderbyshire.gov.uk	DOC:
SUBJECT:	TOYOTA CITY	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: FM 08

1.0 Recommendations

- 1.1 That the importance of the relationship with Toyota City to South Derbyshire, particularly in terms of inward investment and employment, is recognised.
- 1.2 That the activities of the Toyota City Partnership Board continue to be supported.
- 1.3 That a one-off budget of £20,000 is allocated from General Fund Reserves to support the further development of 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-five years.
- 2.2 To seek approval for the allocation of resources to continue to work with Toyota City at this important anniversary, in order to broaden and further develop the successful relationship for the benefit of the local community and economy.

3.0 Detail

Toyota Motor Manufacturing (UK) Limited (TMUK)

- 3.1 TMUK has continued to play a major role in the economy of South Derbyshire in recent years. In 2018 production of the Avensis model concluded with 1,936,572 cars having been produced. A new model, the Corolla, was introduced in 2019. The Corolla Hybrid, Hatchback, Touring Sports and the conventional Corolla are all built at Burnaston with many parts and materials supplied by UK companies.
- 3.2 In 2020 the Burnaston plant produced its 4.5 millionth vehicle. The plant completes a car every 89 seconds, which is 3,000 vehicles a week and on average 150,000 a

year. Of that total, almost 90 per cent are exported to overseas markets, principally in Europe, reinforcing Toyota's key status in UK manufacturing.

- 3.3 Toyota has been promoting a multi-path approach to reducing emissions for more than 20 years. This strategy encompasses all technologies from Hybrid Electric, Plug-In Hybrid Electric, Battery Electric through to Fuel Cell Electric. Hydrogen is seen as one of the key building blocks towards carbon neutrality, using fuel cell technology for mobility and in the wider economy beyond transport. TMUK has recently announced plans to develop a fuel cell powered Hilux pick-up truck at Burnaston. It is anticipated that small scale production of initial prototype vehicles will take place at Burnaston throughout 2023. Then based on the outcome, this could result in small series production at the plant.
- 3.4 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. The two plants represent an investment of some £2.75 billion. TMUK also continues to support a range of local educational and community activities, including through the Toyota Manufacturing UK Charitable Trust.
- 3.5 The motor company is headquartered in Toyota City, which hosted the start of the Japan round of the World Rally Championship in 2022. Toyota Gazoo Racing World Rally Team won both the driver and manufacturer titles of the Fédération Internationale de l'Automobile World Rally Championship in 2022.

Toyota City Partnership Board

- 3.6 The Toyota City Partnership Board was established in 2018, facilitated by Derbyshire County Council, to further develop and enhance the wider partnership vision for the Toyota friendship by bringing together key economic and cultural stakeholders to work positively alongside the three twinning local authorities. Membership of the Board includes the District Council, Derby City Council, Derbyshire County Council, TMUK, the University of Derby, Burton and South Derbyshire College and the National Forest Company.
- 3.7 The Board has overseen a rolling programme of activities, including:
 - student exchanges, including virtual exchanges during the pandemic;
 - development of links between further and higher education institutions;
 - sporting exchanges, linked to St George's Park and the Rugby World Cup;
 - cultural exchanges, including artistic and musical collaborations;
 - awareness raising activities at public events;
 - knowledge exchanges, including environmental programmes, adult care services and exporting;
 - the planting of cherry trees in parks and school grounds;
 - hosting of the Japanese Ambassador and a reception at Westminster; and,
 - relocation of the Derbyshire Japanese School to the John Port Spencer Academy at Etwall.

Twenty-Fifth Anniversary Activities

- 3.8 In 2023 Derbyshire will celebrate the twenty-fifth anniversary of its relationship with Toyota City. An anniversary programme of events and activities is proposed with a mix of business, civic, cultural and educational initiatives. This will be overseen by

the Toyota City Partnership Board and the year is expected to include public promotions and student exchanges.

4.0 Financial Implications

4.1 It is proposed that an amount of £20,000 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, events and the acquisition of project materials, as required.

5.0 Corporate Implications

Corporate Plan Implications

5.1 The relationship between Derbyshire and Toyota City has the potential to contribute to:

- 'Our Future' which aims to grow our District and our skills base - attracting and retaining skilled jobs in the District; and, encouraging and supporting business development and new investment in the District.

6.0 Community Impact

Consultation

6.1 The Board is consulting with its stakeholders on the projects to be undertaken and the delivery of activities.

Equality and Diversity Impact

6.2 A key aspect of the relationship with Toyota City is the promotion of closer relationships and greater understanding between communities in the UK and Japan.

Social Value Impact

6.3 The international relationship provides many opportunities to generate social value benefits, for example for young people involved in exchanges.

Environmental Sustainability

6.4 The environment is a key theme of the relationship with Toyota City, reflecting the importance that TMUK places on reducing energy use and minimising waste.

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.