



## Economic Regeneration Strategy (2011-2021)



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## Economic Regeneration Forum - Foreword and Introduction

As members of the Economic Regeneration Forum, we are very proud to introduce Hartlepool's Economic Regeneration Strategy (ERS) for the period 2011-2021 which we believe sets out a vision of how we can achieve a shared ambition of moving the Borough towards a more inclusive, prosperous and resilient economy.

If this vision is to be achieved, we must continue to enhance the unique partnership arrangements that already exist, maximise new opportunities and capitalise on emerging growth sectors. Undoubtedly, major regeneration initiatives and structural improvements to key community, business and educational sites have already made great strides in improving business growth, helping to empower local people to achieve their aspirational goals and become economically active, improve community cohesion and support a culture of entrepreneurship.

These improvements can be measured when considering that Hartlepool now has key flagship sites including Queens Meadow Business Park and Hartlepool College of Further Education's (HCFE) £50million new build; increased educational attainment rates at age 16 and 19 years; excellent rates of 16-18 year olds accessing education, employment or training; improved productivity and a higher skilled and qualified workforce than ever before.

To continue this success, Hartlepool Borough Council and its partners will provide the right conditions to attract new investment to regenerate the Borough, improve business support services and business infrastructure, develop a culture of innovation and entrepreneurship, increase employment and skills levels; which will ultimately tackle wider social disparities.

The new ERS is split between the key priority themes of **Business, People and Place** and also underpins and complements the longer term vision of the Community Strategy – Hartlepool's Ambition, particularly the Jobs and the Economy and Lifelong Learning and Skills themes. Alongside the ERS is a three year Action Plan which will provide focused key strategic actions that will significantly contribute to the employment, skills, enterprise, business support and regeneration agenda.

As members of the Economic Regeneration Forum, we welcome this strategy and look forward to reviewing the progress of the set measures outlined within this document and the Action Plan. We believe that the successful implementation of these actions will ensure economic development, skills and regeneration remains at the heart of all partners' policies and strategic decisions and that the broader collaborative working between the public, private and third sector will provide a long term legacy for Hartlepool and critically, meet the demands of residents, the local community and businesses.



**Mr Ray Priestman**  
Chair, Economic Regeneration Forum



**Councillor Peter Jackson**  
Regeneration & Economic Development and Skills Portfolio Holder



**Councillor Chris Simmons**  
Children's Services Portfolio Holder

## 1. New Arrangements for the Hartlepool Partnership

Hartlepool's ERS has been developed in conjunction with the new structural arrangements for the Hartlepool Partnership. This will see the new Strategic Partners Group (SPG) replacing the Local Strategic Partnership (LSP) Board and the SPG will be chaired by the Mayor. The SPG will be responsible for co-ordinating the strategic direction for the Borough by working alongside the Council to develop agreed priorities (at present this is the Community Strategy & Neighbourhood Renewal Strategy).

The new Hartlepool Partnership structure will include four themed groups, which is a reduction from the nine themed partnerships that previously operated. This incorporates the statutory Safer Hartlepool Partnership and the Shadow Health & Wellbeing Board which is expected to become statutory in 2013. The two other themed groups are the Economic Regeneration Forum and the Housing Partnership. These groups were identified as key themes for the future improvement of Hartlepool and the delivery of the Community Strategy vision.

The Economic Regeneration Forum will meet four times per year and will maintain a focus on attracting new investment, regenerating the area, providing solutions for employers, particularly with regards to supporting business growth, improving business infrastructure, increasing the overall employment rate, increasing skills levels of adults to meet employer's demands and workforce development. The group will also oversee the implementation of the ERS and the delivery of the action plan.



New Strategic Partners Group Structure

## 2. The Vision, Aim and Objectives of the Economic Regeneration Strategy

Hartlepool will be ambitious, healthy, respectful, inclusive, thriving and outward-looking community, in an attractive and safe environment, where everyone is able to realise their potential.

**Community  
Strategy  
Vision**

Hartlepool will achieve its ambition of sustained, economic prosperity through major regeneration, driving business growth, increasing innovation, developing entrepreneurship and skills to make the area an attractive location to live, invest, work and visit

**Our  
Vision**

Develop a more enterprising, vigorous and diverse local economy that will attract new investment, enable local enterprises and entrepreneurs to be globally competitive and create more employment opportunities for local people'

**Our  
Aim**

1. To improve business growth and business infrastructure and enhance a culture of entrepreneurship
2. To attract new investment and develop major programmes to regenerate the area and improve connectivity
3. To increase employment and skills levels and develop a competitive workforce that meets the demands of employers and the economy
4. To increase the economic inclusion of adults, tackle financial exclusion and reduce the proportion of children in poverty
5. To boost the visitor economy

**Our  
Objectives**

**Priority Actions**  
(See Action Plan)

**Our Actions  
2011-2014**

### 3. Hartlepool in Context

For many years, Hartlepool prospered as an industrial centre until the decline in heavy industries such as ship building, steel fabrication and manufacturing in the 1960s and 1970s. Within this period, the Borough's economic landscape dramatically changed with major job losses in these key industrial sectors. As a consequence, in 1985, unemployment peaked at 25%, an all-time high for the Borough with 10,000 adults claiming unemployment benefits.

However, Hartlepool has a long history of rising in the face of such adversity and in the past twenty years, the Borough has been transformed through public and private investment in regeneration including housing renewal areas and specific employment land sites. Today, Hartlepool Marina, Wynyard Business Park and Queens Meadow Business Park are widely acknowledged as flagship initiatives. Furthermore, the Borough continues to maintain a high profile that was significantly increased with the successful Tall Ships Race 2010, which witnessed 970,000 people visiting the Borough and provided over £20 million in revenue for the local economy.

The continued development of key employment sites such as the Southern Business Zone and improved business infrastructure activity across Hartlepool, has significantly contributed to attracting investment, encouraging growth in indigenous companies and increasing the number of new start up businesses. There have also been major enhancements to start-up accommodation for new businesses and there are now excellent office facilities and business support services at venues including the UK Steel Enterprise (UKSE) Innovation Centre and the redeveloped Hartlepool Enterprise Centre. Added to this, the emerging Innovation Skills Quarter (ISQ) including the proposed new business incubation facility for digital and creative industries on the Crown House site will offer additional office facilities to support a culture of entrepreneurship.

Over the past two decades, there has been a significant shift from large scale employers to small to medium sized companies. There are approximately 2,500 businesses in the Borough of which only ten companies employ more than 250 people, the lowest in the past fifty years. Of these ten companies, five employ over 500 employees.

Hartlepool has a strong economic base in key fields including service, manufacturing, high value added engineering and the petrochemicals sector, with leading companies forming part of one of the largest clusters of petrochemical companies in the world and expansions into international markets continue to occur which will benefit the wider economy.

The economic base is further balanced by an increase in the number of diverse, innovative and technologically advanced specialist businesses. Although the global economic downturn has been very challenging for Hartlepool, many companies have continued to prove their economic resilience and are building on their strengths to position themselves to take full advantage of new and exciting opportunities. These include the eventual decommissioning and potential new build of the Nuclear Power Station, Renewable sectors, Oil and Gas and Chemical Industries.

The allocation of Enterprise Zone (EZ) status to the Port, Queens Meadow and Oakesway offers an enhanced opportunity to attract companies within these targeted growth sectors. These are major opportunities which will provide the key drivers to longer term economic prosperity; creating the jobs for the future and enabling a new chapter in the economic growth of the Borough.

### 4. Hartlepool's Economic Assessment

Hartlepool's Economic Assessment provided the necessary evidence base to increase knowledge and to better understand local economic conditions and the resilience of the area.

The assessment included a robust and comprehensive review which provided an insight of:

- Hartlepool's industrial landscape;
- Growth sector opportunities including: -
  - **Nuclear**
  - **Offshore Oil and Gas**
  - **Low Carbon Economy including Offshore Wind**
  - **High Value Added Engineering**
  - **Knowledge Intensive Business Services**
  - **Process and Chemicals**
  - **Hospitality and Tourism**
  - **Retail**
  - **Health and Social**
  - **Construction**
- Skills gaps in these growth sectors;
- The current factors which will impact on the social, economic and environmental development of the Borough; and;
- Funding opportunities.

The Economic Assessment also includes substantial statistical information relating to areas such as business start up rates, enterprise activity, employment and skills levels. Importantly, the assessment identifies the key national, regional, sub-regional and local policies and strategies which have informed the development of Hartlepool's ERS.

The Assessment and the ERS have been produced with support from Durham University Business School and in consultation with key partners. To access Hartlepool's Economic Assessment 2010-2011 please visit: <http://www.investinhartlepool.com>



## How will we measure success?

The success of this ERS will be measured on whether it achieves a wide range of key performance indicators (PI) by 2021 as shown within the ERS Action Plan. Although the targets are ambitious, it is anticipated that within the right economic conditions they are achievable. However, external political, social, economic and environmental factors may impact on targets being reached and this will need to be monitored with any underperformance reported to the Economic Regeneration Forum. Examples of some of these PI are shown right

Performance Indicator	Current Value	2014 Target	2021 Target
Number of new businesses on Enterprise Zone sites	N/A	10	25
Percentage occupancy levels of Hartlepool business premises	82.8% (2011)	85%	90%
Business stock (Business Units in Hartlepool)	2,355 (2011)	2,400	2,500
Value of Regional Growth Fund Investment	N/A	£20 Million – 250 Jobs	£20 Million – 1500 Jobs
Value of inward investment	N/A	Monitor Only	Monitor Only
Percentage of newly born enterprises surviving one year	88.7% (2009)	90%	97%
Percentage of newly born enterprises surviving two year	76.8% (2008)	77.4%	78.3%
New business registration rate - the proportion of new business registration per 10,000 resident population (aged 16+)	29 (2010)	30	42
Number of jobs created	344 (2010-11)	500	2000
Value of investment in key regeneration sites	N/A	£6.75m	£30million
Value of income from external funding sources	N/A	£100,000	£750,000
Affordable homes delivered (gross)	181 (2010-11)	240	350
Number of new homes built on regeneration schemes	N/A	Monitor Only	Monitor Only
Number of long term (over 6 months) empty homes brought back into use	579	57	250
Percentage per capita reduction in CO2 emissions in the LA area	N/A	12.4% reduction	21% reduction
Congestion – average journey time per mile during the morning peak	1.51 minutes (2009-10)	maintain 1.51 minutes	maintain 1.51 minutes
Overall employment rate (proportion of people of working age population who are in employment)	61.4% (March 2011)	63%	70%
Unemployment rate (Hartlepool) - The proportion of economically active people who are unemployed	7.3% (November 2011)	6.2%	2.5%
Self-employment rate	8% (March 2011)	9%	13.5%
Employment rate (16-24) - proportion of 16 to 24 year olds who are in employment	44.5% (March 2011)	46.5%	53.5%
Percentage of 16 to 18 year olds who are not in education, employment or training (NEET)	7.3% (November 2011)	6.5%	5%
Youth unemployment rate (Hartlepool) - The proportion of economically active 18 to 24 year olds who are unemployed	16.9% (November 2011)	14.1%	10%
Percentage gap between pupils eligible for free school meals and their peers achieving 5 A*-C grades at GCSE (and equivalent) including GCSE English and Mathematics at Key Stage 4	30% (2010-11)	Monitor Only	Monitor Only
Achievements are in line with national average for GCSE 5 A*-C and UCAS average score	707.4 77.1%	Monitor Only	Monitor Only
Care leavers in education, employment or training	66.7% (2010-11)	Monitor Only	Monitor Only
Percentage gap reduction between those young people from low income backgrounds and those that are not progressing into higher education	16% (August 2011)	Monitor Only	Monitor Only
Proportion of population aged 19-64 for males and 19-59 for females qualified to at least Level 4 or higher	22% (2010)	25%	30%
Number of Apprenticeship Starts	277 (2010-11)	Monitor Only	Monitor Only
Number of Apprenticeship Framework Completions	134 (2010-11)	Monitor Only	Monitor Only
Proportion of children in poverty	31.3% (May 2010)	28%	22%
Number of Credit Union Savings Accounts opened by residents	123 (April - Sep 2011)	400	650
Visitor numbers	3.16million (2009)	3.47million	5million
Value of visitor economy	£117million (2009)	£129million	£185.9million
Number of unique visitors to destination Hartlepool website	18,269 (2010-11)	30,000 unique visits per annum	50,000 unique visits per annum
Number of social media followers	Twitter – 350 Facebook - 113	Twitter – 1000 Facebook - 500	Twitter - 3000 Facebook - 1500

# Theme One - Business







## 5. Improving Business Infrastructure Contributes to Objective 1 & 2

Hartlepool has witnessed major public and private sector investment over recent years to improve its business infrastructure and provide the right accommodation and environment for a variety of business uses. Improvement projects have included:

**Queens Meadow** - The first phase delivered the UK Steel Enterprise (UKSE) Innovation Centre and a subsequent extension as well as speculative units built by Rivergreen Developments.

**Hartlepool Enterprise Centre** - A major redevelopment and enhancement scheme providing improved facilities for business incubation.

**Longhill & Sandgate** - A major regeneration programme that has uplifted some of the older estates in the Borough, including enhancements to Newburn Bridge Industrial Estate.

**Town Centre Improvements** - Building and public realm improvements to improve the appearance along key routes including the new HCFE, Cleveland College of Art and Design (CCAD) expansion and a programme to bring empty buildings back into use, including Park Towers and Titan House.

**Wynyard** - The incorporation of the former Samsung complex now offers over 700 acres of prime business site.

**Hartlepool Marina** - Consolidation as Hartlepool's premier development for commercial, retail and leisure uses.

Looking to the future, the following key development areas have been identified to further improve the business infrastructure of the Borough and take advantage of forthcoming opportunities.

**Hartlepool Enterprise Zone (EZ)** - Part of the 5-year Tees Valley wide EZ announced in 2011. Three sites have been identified across Hartlepool that will target specific markets:

1. **Hartlepool Docks** - an enhanced capital allowance scheme targeted at renewable energy and advanced engineering sectors.
2. **Queens Meadow Business Park** – business rates discount for chemical and advanced engineering businesses.
3. **Oakesway Business Park** - business rates discount particularly targeted at the renewable energy and advanced engineering sectors

**Southern Business Zone** - Infrastructure improvements in the main employment area of the Borough.

**Innovation and Skills Quarter (ISQ)** - An area of the Town Centre encapsulating both CCAD and HCFE.

**Hartlepool Incubation Strategy** - Development of a further incubation facility, proposed to be the former Crown House site within the ISQ.

**Strategic Sites** - In addition sites have been identified for the emerging offshore wind market, including Able Seaton Port.

The priority is to develop and deliver the Hartlepool EZ working in conjunction with Tees Valley Unlimited (TVU), the private sector led Local Enterprise Partnership (LEP) and the landlords of the three identified EZ sites.

To capitalise on the EZ sites as well as the identified key growth sectors, there will be an emphasis to market Hartlepool as a business investment location to the region, the rest of the UK and an international market. Focus will be needed to ensure that the stock of commercial property available in the Borough is suitable for current and future demands of business. This will need to take into account the availability of premises on the EZ sites as well as the requirements of the identified key growth sectors.

There is also a need to improve the environment of Industrial Estates and Business Parks to ensure that they are suitable for current and future demands. This will involve working with landlords of and tenants of premises, with a particular emphasis given to identifying potential capital funding sources.

## 6. Supporting Business Growth

### Contributes to Objective 1 & 2

In line with the rest of the region, Hartlepool benefitted from a considerable amount of business growth schemes run through ONE North East. This included initiatives to offer direct financial support, strategic business relationships with large scale employers and sector specific projects. In addition, core funding was made available for the regional Business Link service to provide brokerage and solutions for growing businesses.

Hartlepool has a tradition of securing funding from a variety of sources, which enabled solutions to be developed specifically to meet the needs of Hartlepool businesses. However, the majority of these funding regimes ceased in 2011.

The introduction of the LEP will have an impact on business growth, through its lead on strategic planning for economic renewal in the sub-region. However unlike the defunct Regional Development Agencies, there is limited direct funding available to support the objectives of the LEP.

As a consequence, there is a need to engage and support businesses at a local level and coordinate assistance from the various business support organisations to ensure the growth of indigenous businesses in all sectors. In particular, the emphasis will be to assist Hartlepool businesses in taking advantage of the EZ and to maximise opportunities relating to the identified growth sectors. This will facilitate business growth across the whole of the Borough through supply chain development and provision of services to both incoming and expanding businesses.

Also, there will be a programme of targeted business support interventions rolled out to all businesses in Hartlepool in order to support individual business growth plans and to identify those companies with the potential for real growth in key sectors.

In order to remove barriers that may prevent indigenous business growth, there will be a requirement to use public sector resources and influence to benefit the Hartlepool businesses which will ultimately assist the growth of the local economy.

There is already a cohesive business community within Hartlepool and this will be further enhanced by utilising existing business network groups and a variety of media in order to maximise business development and local procurement opportunities.

In the short to medium term, there will be a requirement to move local businesses away from a culture of direct support from government, such as financial assistance and focus on alternative forms of assistance to assist business growth, such as private sector investment.

## 7. Developing an Enterprising Culture

### Contributes to Objective 1

Increasing the level of entrepreneurship and private enterprise has been one of the major drivers of economic development across the region. Previous public sector investment supported interventions through a number of projects centred on attracting individuals to enterprise and in addition the regional Business Link service offered brokerage solutions funding for businesses at a start-up stage.

In turn, Hartlepool embarked on rolling out the findings of a long term Business Incubation Strategy which incorporated a wide range of enterprise activities. The main aim of this initiative is to lay the foundations for a strategic framework for the development of the local small business sector. The strategy not only promoted physical developments such as the UKSE Innovation Centre at Queens Meadow Business Park but also the implementation of an overarching support mechanism that would incubate both start up and small businesses.

Although steadily improving, the rate of new business creation in Hartlepool is consistently lower than the national average. Whilst the physical incubation developments are critical to achieving this diversification, there is still a need for additional incubation facilities, linked to the overarching business support mechanism to ensure that robust new businesses are created.

The priority for Hartlepool is to continue to develop the physical incubation facilities that not only include the Hartlepool Enterprise

Centre and the UKSE Innovation Centre but also the Creative Lodge located at the CCAD and the proposed development on the Crown House site in the ISQ which will support creative and digital sectors, working in partnership with HCFE and CCAD. Alongside this, there will be a continuation of pre-start and start up incubation support services to local residents of Hartlepool who are considering self employment as a career option.

Work will continue to help embed national and sub-regional start up programmes to make self employment and business start up an attractive alternative to unemployment and inactivity and wider promotion and awareness of enterprise activities will be undertaken through targeted marketing, including potential future entrepreneurs in schools and colleges.

To drive forward the development of enterprise and to ensure that new businesses survive for the long term, emphasis will be given to ensure that they become integrated into the wider business community through involvement with local business networking groups and associations.

## 8. Visitor Economy

### Contributes to Objective 5

Despite being a peripheral location, Hartlepool has evolved into a location which has an appeal for people to live, work and visit. Its successes include:



- **A multi-million pound 500 berth marina with a wealth of visitor facilities, including Hartlepool's largest visitor attraction, the Maritime Experience.**
- **A visitor economy valued at £118m, supporting nearly 2000 jobs and attracting over 3 million visitors in 2009.**
- **A comprehensive range of eating establishments, predominantly situated in Hartlepool Marina – developing a night time economy.**
- **A range of traditional seaside facilities at Seaton Carew, enhanced by the heritage attractions of the Headland.**
- **The Tall Ships Races in 2010 which helped raised the profile of Hartlepool.**
- **An accommodation provision within Hartlepool which has increased in its range, mix and volume.**

Over the last ten years, tourism and cultural activities have been supported both financially and promotionally by a variety of agencies including ONE NorthEast, visitTeesvalley, and the Arts Council. During this time, the tourism business base has increased, with the sector being made up predominantly of small enterprises. This has led to challenges arising in the level of business support required and issues relating to workforce development. With the closure of many of these agencies and changes in support, Hartlepool's visitor economy has challenges and opportunities to focus on in the near future.

The Tall Ships Races successfully provided an opportunity to raise the profile of Hartlepool and brought new visitors to the Borough. It is imperative that this success is built upon so that Hartlepool can continue to compete with other locations and increase visitor numbers. The priority will be to develop and implement a marketing plan to continue to raise the profile and positive image of Hartlepool on a local, regional and national level.

Part of the success in keeping visitors coming to the Borough is the visitor experience. Businesses will need to be encouraged to work together collaboratively in order to continually improve this and increase repeat visits to the Borough. There will need to be an emphasis on improving communication and engagement with

key stakeholders in the visitor economy to ensure ongoing development of the sector as a whole.

Good customer service is key to a positive visitor experience. The challenges facing the industry include the often negative perceptions of the tourist industry as a lifetime career. Improving the quality of the labour supply for the overall sector is essential for enhancing successful visitor experiences.

Despite reductions in physical and regeneration projects, it is important to strengthen, grow and support future tourism developments. With the loss of funding opportunities available, there may be fewer developments in the near future. Therefore, it will be important to focus on the strengths of current infrastructure and help to improve and create new visitor experiences within current locations. Improving the connectivity of the Borough to link the major visitor locations together, will help to provide a greater and lengthier visitor stay.

## 9. Supporting the Third Sector

### Contributes to Objective 4

There are over 600 third sector groups in Hartlepool who contribute to the local economy. These groups provide a network of support and offer specialist provision for local residents and the wider community. As a sector, it assists the recovery of deprived wards in Hartlepool and provides much needed services to some of the most vulnerable people in society.

The key strengths of the third sector includes a dedicated and highly motivated workforce (which consists of paid workers and volunteers). There is also an established Hartlepool Voluntary Development Agency (HVDA) which works very effectively with partners to respond to the demands of the local community and offer early interventions to specific social and economic challenges.

For the third sector, the ongoing move towards public/private/third sector partnerships could offer favourable business opportunities in the longer term. It will be necessary for community leaders to work together and in collaboration with the public and private sector to capitalise on any new major funding opportunities and to work as

part of a consortium. This consortium approach will enable organisations to be more effective in bidding for large scale contracts or to become a subcontractor of a national 'prime provider'. Third sector groups have a significant track record of securing funding in their own right and should continue to source funding. This will enable them to deliver services that tackle the causes and consequences of wider social and economic disparities.

To ensure that third sector organisations continue to develop and thrive will require a continuation of business support so that they may diversify into new areas and maximise new opportunities. This support will include offering trainers to advise on future funding opportunities, provide additional capacity building to upskill the workforce and enable organisations to become business orientated, and financially viable in the longer term.



# Theme Two - People





## 10. Improving Employment & Skill Levels

### Contributes to Objective 3 & 4

Employment and skills are intrinsically linked. To improve the economic resilience of the Borough and to re-balance the local economy requires continued investment in skills, increases in the number of higher skilled workers and initiatives that will allow the right conditions to create new jobs. Within Hartlepool, there are 58,100 working age adults, of which 36,800 (61.6%) are in employment. Prior to the economic downturn, Hartlepool's employment rate peaked to 66.5% in 2007/08. Over the past decade, there has been a marked shift in occupational composition with demand moving away from low skilled roles to higher skilled managerial, technical and professional occupations. This trend is likely to continue in the longer term as the economy demands fewer unskilled or lower skilled jobs and moves towards roles that require intermediate or higher skills. This will be particularly evident in higher skilled areas including high value engineering and the process industries.

In 2011, Hartlepool, like the rest of the sub-region still remains heavily dependent on public sector jobs. However, it is estimated that over the next ten years, Hartlepool will enter into a new phase where there will be a resurgence of new private sector jobs

created to provide future opportunities for local residents. The major job creation opportunities include:

- **Approximately 3000 new jobs through the EZ and Regional Growth Fund programme with £300 million of public and private investment.**
- **350 new jobs from the decommissioning of the Hartlepool Nuclear Power Station and up to 3000 from the construction of a new facility over a five year period.**
- **The new Nuclear Power Station requiring up to 750 employees.**

In 2011, around 67% of employed residents work in Hartlepool, with 33% (12,600 adults) commuting out to work, mainly within the neighbouring sub-regional local authority areas. To support residents to take full advantage of vacancies outside of the Borough, key partners will work together to improve individuals skill levels and provide improved connectivity links to jobs across the region.

There will also be a need for continued investment in education and learning to improve the skill levels of young people and working age adults, not just at Level 3 or above. Ongoing investment in foundation level qualifications will provide many local residents with a pathway onto higher skilled training programmes.

Tees Valley Unlimited has developed the Employment, Learning and Skills Framework (ELSF) which sets out the Tees Valley's priorities across 14-19 learning, higher education, adult skills and employment support. TVU commissions the established Employment, Learning and Skills Advisory Group (ELSAG) as the key multi-stakeholder group to take forward the agenda set out in this framework. Hartlepool Borough Council will be represented on the ELSAG to ensure that the objectives and actions highlighted within the ELSF are implemented. By influencing at the Tees Valley level, Hartlepool's representatives can raise key strategic matters that will ultimately contribute to local actions to improve employment and skills levels being achieved.

## 11. Improving 11-19 Skill Levels

Contributes to Objective 3 & 4

Partners across Hartlepool view improving the education and skills levels of young people as a key challenge. The established 11-19 Partnership aims to improve the life chances and economic wellbeing of all young people by fully supporting the reforming of educational systems, modernising education facilities, offering good quality careers advice and guidance and advancing high-level technical skills. The Partnership remains at the forefront of ever-faster technological change by providing high quality vocational education which will be central to meeting the demands of the business community and improving the skill levels of the future workforce.

Despite high levels of social deprivation in Hartlepool, the 11-19 educational standards have consistently improved year on year, such as the percentage of young people achieving 5 GCSEs A\*-C including English and Mathematics which is currently at 56.9% in 2011. To support the skills agenda, there is now increased flexibility for local educational institutions including schools, colleges and universities to be directly responsive to labour market changes.

Partners are working together to develop and deliver local strategic interventions which will leave a maximum impact on improving the skill base of young people, will raise the standard of educational achievement at GCSE 5 A\* - C, with an emphasis on English and Mathematics, development of the post 16 further and higher education core offer.

There is also still capacity to expand the number of apprenticeships offered to young people and to achieve this requires increased engagement with employers to promote the benefits of the programme. Particular focus will be on targeting relevant employers to support them to employ their first apprentice, that will include HR and employment legislation advice and in-work support mentors. Apprenticeship programmes and new apprenticeship frameworks will continue to be established to support emerging industries and growth sectors that will be responsive to employer's demands.



Partners will also continue to work with 11-19 providers to commission education and training provision which will improve educational standards and influence providers delivery to ensure the curriculum offer meets young people's needs. A key priority is to narrow the educational attainment gap for those young people who are from disadvantaged backgrounds and increase the economic well-being of all young people.

The Partnership has an existing 11-19 Strategic and Operational Plan which provides a robust framework for partners to work within. Furthermore, the Partnership will increase the dialogue between existing networks and industry professionals who will inform of future skills needs, particularly in growth sector areas

and emerging industries. It is recognised that there is further research work required to fully understand future skills requirements and the balance between the supply and demand of labour. This exercise will also be relevant to the identification of adult skills gaps.

## 12. Developing a Competitive Workforce (Adult Skills)

### Contributes to Objective 3 & 4

Skill levels within Hartlepool's working age population have steadily increased in the past decade, with the number of adults achieving NVQ Level 3 and 4 in 2010 at 44% (25,600) and 22% (12,800) respectively. The Borough now has a much improved skills base with which to attract investors and enable its workforce to take full advantage of future employment opportunities within growth sector areas.

The benefits of a skilled workforce for an area are widely researched with evidence of improved employment rates, increased economic resilience and enhanced productivity within the workplace. For the individual worker, being qualified to a higher level provides greater security in the workplace, higher median earnings and increased options for career development, than those with low or no qualifications.

To make this happen, providers have greater flexibilities to deliver a mix of learning and training that meets the needs of learners and employers. The Skills Funding Agency (SFA) will now have a much more focused role in providing the strategic direction for improving skills levels and will no longer manage providers in effectively developing programmes for each local area. There is now an expectation that education and training providers will work directly with LEPs, local authorities and employers.

The Economic Regeneration Forum will lead on this role and will seek to influence the delivery of post-16 provision so that it is responsive to the needs of the future labour market and ensure that Hartlepool's workforce and businesses remain globally competitive. This will mean working closely with key adult skills providers who can accelerate an increase in the number of apprenticeships, internships and improve workforce development.

Improved partnerships will enhance the formal learning steps for local residents that will enable them to naturally progress through the stages from foundation to advanced higher level qualifications. It is clear that post-16 providers will need to work more collaboratively to ensure that there is greater emphasis on matching bespoke training programmes to employer's demands.

This will be achieved by pooling specialist training provision and expertise to develop joint-targeted interventions according to need.

The Forum will facilitate this and ensure that any future joint working will include enhancing the vital intermediate technical skills that are increasingly important, as jobs become more highly skilled and technological change accelerates. Key providers in the post-16 sector are English Martyrs School and Sixth Form College and Hartlepool Sixth Form College (HSFC) who predominantly deliver A-Levels. CCAD who offer specialist Further and Higher Education programmes in Art and Design and HCFE who are the main provider of vocational and technical programmes for students aged 16-18 years and 19 plus. All of these providers have benefitted from substantial investment to improve and re-develop their educational facilities. This has included nearly £30 million for a re-build at HSFC and HCFE who have opened a new £50 million state of the art facility which includes the North East Regional National Skills Academy for Environmental Technologies. CCAD has also benefitted from a significant re-development of their Higher Education facilities within the Church Square area.

These colleges continue to have a major role to play in developing the future skills needs of adults and shaping its provision to coincide and complement other post-16 learning and training provision including Hartlepool Borough Council's Adult Education which provides support with apprenticeships, formal first steps and Adult Safeguarded Learning (ASL) which predominantly relates to personal and community development learning.





## 13. Increasing Aspiration & Social Mobility

### Contributes to Objective 4

Partners view improving social mobility as a principle social policy goal. To achieve this requires the full backing of parents and carers, schools, post-16 providers, higher education institutions, statutory agencies and employers to ensure that young people can take full advantage of opportunities at every stage in their life from foundation years through to the world of work.

Significant progress has already been made on improving social mobility for this generation including the implementation of Hartlepool's Not in Education, Employment or Training (NEET) Reduction Strategy which has facilitated a fall in the percentage of young people who are NEET by almost 25% since 2004 and improved the number of young people accessing Higher Education by 32.6% between 2003-2009, the largest increase in the Tees Valley.

Young people remain particularly disadvantaged within the labour market and require additional support to enable them to effectively compete for future jobs. To support the next

generation, there will be a clear and concise focus on targeting provision at young people through the implementation of the Raising the Participation Age (RPA) Strategy and enhancement of NEET Reduction programmes, particularly targeting those young people identified as 'high risk' of becoming NEET.

The 11-19 Partnership and Economic Regeneration Forum have directed the existing Youth Working Group to develop new approaches to increasing the number of 16-25 year olds participation in learning and employment. This includes early interventions for young people who are identified as at risk of not achieving their full educational potential and securing additional funding for NEET reduction activity. To continue to raise the aspirations of young people, there will be renewed attention on improving routeways to provision including high quality careers guidance, internships, advanced apprenticeships and higher education courses. There will also be dedicated support to raise awareness and help facilitate an increase in the number of young people who apply to the country's top universities (particularly those individuals from the most deprived wards).





## 14. Tackling Worklessness, Economic Inactivity and Benefit Dependency

### Contributes to Objective 4

Hartlepool has been particularly challenged by the effects of the decline in major industries in the 1970s and 1980s and has not as yet fully recovered from this. The causal effect of the reduction in large scale employers within the Borough has led to a third and fourth generation of workless households dependent on welfare benefits.

To tackle economic inactivity and to prevent a new generation of young people from being disadvantaged from the labour market, there is already an established Hartlepool Works Employment & Skills Consortium which has a membership of over 40 providers. The partners work within a set strategic framework which ensures that they develop collaborative and targeted interventions, with a specific focus on priority groups or unemployment 'hotspot areas'. In the longer term, consortium members will continue to design employability programmes for local residents that will include literacy and numeracy courses, intensive Information, Advice and Guidance (IAG) services, volunteering, work trials, sector specific training, in-work mentoring and self-employment advice. These activities will be critical in assisting residents, particularly those with limited or no work experience, to develop the necessary skills base that employers demand. As part of this strategy, this consortium approach will be enhanced so that it adds value to major worklessness programmes and new flexibilities as shown below.

**The Work Programme:** This is the most radical welfare to work reform since its inception in 1945 and The Work Programme will replace all other Department for Work and Pensions (DWP) funded programmes. This will be the main welfare funded programme over the next 5-7 years and prime providers will be given up to two years to work with customers and greater freedom to decide the appropriate support for them. In Hartlepool, it is anticipated that up to 2000 customers will start on the



programme each year and should have a major impact on reducing worklessness rates. The Council will continue to engage closely with the prime providers to strategically direct them towards targeting the most vulnerable workless adults.

**New Flexibilities within Jobcentre Plus:** Job Centre Plus (JCP) is now empowered to decide when and how to support customers and have the autonomy to make decisions locally. This includes offering customers a range of support from day one of their new benefit claim. JCP has a fundamental role to play in Hartlepool to support unemployed customers back to work and will continue to work together with local community partners, service providers, Registered Social Housing Providers, Council and employers of all sizes - to find new and innovative ways to support people back to work.

To continue to reduce worklessness rates further, the Economic Regeneration Forum will facilitate engagement with local companies to improve the links between the supply of labour and

the demand of employers. Integral to any consultation with employers will be understanding future skills needs that allow an improved match of labour to the relevant sectoral vacancies. In addition, employment advisors will need to have an increased understanding of the future labour market so that they can assist claimants to re-focus their job search to complement the needs of the wider labour market. In future, higher level careers advice will need to be provided to all working age adults in areas including specialist sector specific training and career paths into new growth sector areas.

## 15. Reducing the Causes and Consequences of Child Poverty & Financial Exclusion

### Contributes to Objective 4

In Hartlepool in 2011, almost 1 in 3 children were classified as living in poverty. In some of the poorest performing wards such as Owton, this increased to almost 50%. The Borough has the 3rd highest rate of child poverty in the North East of England and sits in the top 25% in the UK.

The introduction of the Child Poverty Bill in 2009 enshrined in legislation the previous Government's promise to eradicate child poverty by 2020. The Child Poverty Act 2010 placed a duty on local authorities and their partners to ensure that this happens. Within Hartlepool, child poverty is measured by the 'proportion of children living in workless households'. The causes and consequences of poverty are more than just a lack of family income and relate to wider social, economic and environmental issues such as low educational attainment; low skills levels and inter-generational worklessness.

The Council and its partners have produced and implemented a Child Poverty Needs Assessment and Strategy for 2011 – 14 and key partners from the public, private and third sector have signed up to a 'Child Poverty Pledge' that commits organisations to work in new and unique ways to tackle poverty. The Child Poverty Strategy sets out six objectives which cut across the eight Community Strategy themes including Health and Wellbeing and Jobs and the Economy. The two key objectives that are specifically relevant to the ERS are to: - increase the parental employment rate and improve adult skill levels.

Being in work is the best way out of poverty and a Child Poverty Working Group has already been established with focus on the

above two objectives. Although it will be extremely unlikely within the current and longer-term economic climate to eradicate child poverty fully; this ERS will significantly contribute to ameliorating child poverty rates by implementing new actions to increase the number of families, parents and carers to access employment and training programmes and financial inclusion services.

Hartlepool still has particular issues in relation to indebtedness and currently, 47% of households in the Borough have a poor credit rating and five out of nine households fall into groups described as 'on the breadline' or 'credit hungry'. The established and committed Financial Inclusion Partnership will be the multi-agency group which will provide the strategic direction for this agenda. Pivotal to supporting local communities, particularly within the most deprived wards, will be for key partners to increase access to banking; affordable credit and face to face money advice. Supporting the financial inclusion agenda will lead to longer term economic and social benefits for the local community. For instance, HM Revenues and Customs (HMRC) reported in 2009 that 3,715 families in Hartlepool with dependent children aged under 16 years were not claiming the tax credits they were entitled to (which equated to £500,000 of benefits).





# Theme Three - Places





## 16. Regenerating Key Sites Contributes to Objective 1 & 2

Regeneration is at the heart of all partners' approaches to delivering real benefits through supporting economic growth, securing investment and making the Borough a modern and attractive place. Recent regeneration activity has resulted in major physical change, helping to create high quality places, improve the image of the Borough and support the diversification of the local economy. This has included the development and regeneration of key sites which led to the creation of the marina (including the Hartlepool Maritime Experience), the Wynyard Business Park and Queens Meadow Business Park.

Building on the successful implementation of key strategies, which have provided the rationale for regeneration, there continues to be major initiatives to improve the area including the completion of the new HCFE, the expansion of CCAD, the opening of One Life walk-in health facility, the establishment of the integrated transport interchange and the extension to the UKSE Innovation Centre. To complement this activity, new and innovative ways of delivering regeneration are being explored, which include the use of Council assets plus partnering and joint ventures with public agencies and the private sector.

**Regeneration Priorities:** The Town Centre and Marina areas provide a key focus in creating a vibrant and successful central area that supports economic investment and growth. The main regeneration priorities include the development of the Innovation and Skills Quarter, which is to the south of Church Street and east of Middleton Grange Shopping Centre and builds on the



investment in the Colleges. Projects will create a campus style environment around Church Square; develop business incubation space for creative industries, which will support the growth of new and small businesses; drive forward the acquisition/redevelopment of vacant buildings; and facilitate mixed use development opportunities around Lynn Street offered by the former Focus site and the potential relocation of the Council's depot site. The strategy for the central area also aims to encourage development and investment in the shopping centre to help improve the town centre retail offer, secure investment in the key development sites at Jackson's Landing and Trincomalee Wharf and other sites including the Mill House area. Investment will also aim to address other key vacant buildings and improve physical links between areas of the town centre including the shopping centre, Church Street, the transport interchange and the marina.

The Council has a sustainable master plan for the regeneration of Seaton Carew, which will further enhance the overall Hartlepool visitor offer and create a key visitor destination within the north east. The plan includes the remodelling of the sea front including public realm improvements, which link in with the upgrade of sea defences, the removal of a key derelict building, securing investment in new visitor related commercial space, and provision of new housing and improved community facilities.

Opportunities will also be explored to improve access to the natural coastal assets at Seaton Dunes and Common and improve links with Saltholme International Nature Reserve. Attracting economic investment to key employment sites including the port area at Hartlepool Docks and Seaton Channel, Wynyard Business Park, Queens Meadow Business Park, Oakesway Industrial Estate and the Southern Business Zone will also continue. Helping to meet the property requirements of businesses through a range of initiatives such as business grants and loans, to improve the appearance and efficiency of buildings and premises, alongside the provision of appropriate access and infrastructure, will assist in facilitating economic growth. Such support will be responsive to investment by businesses and funding opportunities as they arise.

## 17. Housing

### Contributes to Objective 2

Over the past ten years, there has been substantial investment in housing regeneration and improvements which have helped to improve the housing offer and encourage people to want to live and work in the area. This has included an extensive New Deal for Communities project, Housing Market Renewal (HMR) and Decent Homes Programme which have improved the physical housing environment and improved the housing offer within Hartlepool.

A key objective for all housing regeneration activity is to contribute to developing a positive environment to support business growth and investment and economic development by improving the attractiveness and the vitality of the housing market in central Hartlepool.

To achieve this, the Hartlepool Housing Strategy, alongside the Local Plan (Core Strategy) sets out the framework for new housing delivery, improvement of existing housing and housing related services for the next 15 years. The focus of these strategies is to balance housing supply and demand; support housing growth; provide affordable accommodation; improve housing quality and design and tackle empty properties. As part of the wider economic development



agenda, these strategies also take into account the need to provide all property types and tenures that will meet future housing demands including executive homes that will encourage skilled workers to live in the Borough. This latter element of the strategy will be vital when considering the new wave of higher skilled jobs that will be created through business growth activity such as the decommissioning of the power station and potential new build, new enterprise zones and emerging new industries.

**Future Housing Regeneration Priorities:** Despite considerable levels of investment, there are still major challenges within Hartlepool's housing market including an excess of obsolete Victorian terraced housing; some 579 properties empty and some social housing estates which no longer meet the housing needs and aspirations of residents. There continues to be a considerable need to maintain the momentum of regeneration and to provide a range of affordable housing.

**Housing Regeneration:** The Council has successfully delivered the Trinity Square, Trinity Court and Headway schemes which has resulted in a significant improvement in housing provision in these areas and encouraged families and economically active residents to move into the town centre locality. Within the central area, the housing market is still suffering significant signs of decline with growing numbers of empty properties. The continuation of the HMR programme is essential to address the problems with the imbalance

of supply and demand and abandonment in the private sector. Work is already underway to deliver the current HMR priorities including the Raby Road Corridor scheme, Belle Vue and Carr/Hopps regeneration scheme. However, there is a gap in current funding that prevents full completion of the programme, but, new opportunities will continue to be explored to improve adjacent areas.

**Empty Homes:** The Council has an adopted Empty Property Strategy which aims to bring empty homes back into use through an incentive and enforcement approach which will prevent the blight associated with a poorly maintained property and prevent areas from declining. This will be coupled with tighter management of the private rented sector through landlord accreditation and selective licensing which will improve neighbourhoods.

**Affordable Housing:** The Local Plan (Core Strategy) will incorporate policies that require a minimum of 10% affordable housing on new housing sites of over 15 dwellings. The Council has agreed a strategy for the disposal of its (limited) land holding where suitable, for affordable housing at below market value, to support provision of additional units. Close partnership working is taking place with both the private sector and local Registered Providers to explore alternative ways of delivering affordable dwellings including a range of types and tenures to meet needs of local people.



## 18. Improving Connectivity Contributes to Objective 2

An efficient and effective transport infrastructure system will help attract new investors, developers and businesses to the Borough; but will also improve access to employment and training for local residents across the region.

As a traditional industrial centre, Hartlepool's freight movement demands have always been well catered for through rail, the port and the A19. The A19 gives access for personal, business and freight movement to National, European and International destinations.

However, whilst the current road network in Hartlepool is effective, transport flows have increased to the point where the network is near to capacity and forecasts indicate increasing congestion in the longer term. In addition, due to its location, Hartlepool has relatively poor public transport connectivity to other labour market opportunities in the Tees Valley and this can act as a deterrent to people who may wish to commute in and out of the Borough. If not effectively tackled through a more strategic

and sustainable approach, this may impact on the economic growth of the area and prevent local residents and businesses achieving their full potential.

Longer term challenges to Hartlepool's transport infrastructure have been identified including:

- **Network capacity constraints on the A19 around Wynyard which could impact on access to key business sites including Seal Sands.**
- **Poor connectivity with adjacent city regions by public transport;**
- **Potential for additional congestion with new employment sites; and**
- **A number of key employment sites are not currently adequately served by public transport**

To counter-act these longer term challenges, the main focus of transport enhancements is the Tees Valley Metro project which will deliver a frequent rail service between Hartlepool and prime locations including Durham Tees Valley Airport, Teesside Park, Middlehaven and James Cook University Hospital. This will increase the number of residents who commute in and out of the Borough by improving access to businesses in key growth sector areas.

The Tees Valley Economic and Regeneration Investment Plan has also set out an ambitious but realistic programme of public sector investment which recognises the significant reductions in public spending whilst building a strong economic case for investment in transport improvements which will unlock the barriers to private sector growth.

To further improve transport infrastructure and connectivity the Council will develop interventions to: -

- **Increase car sharing**
- **Expand public transport usage**
- **Increase participation in walking and cycling to work**
- **Improve and extend cycle paths to increase participation**

## 19. Sustainability Appraisal

Council Officers have completed a sustainability appraisal of the Economic Regeneration Strategy Action Plan. The purpose of this exercise was to assess how well the action plan will contribute to sustainable development. The content of the action plan is assessed against the Council's sustainability appraisal objectives; the objectives were drafted, consulted upon and agreed during the review of the Community Strategy in 2007. The sustainability appraisal objectives are wide ranging, reflecting the nature of sustainability, and are listed below:

economy; education and skills; health; safety and security; housing; transport; built and natural environment; biodiversity and geodiversity; water, air and soil pollution; liveability and place; equity, diversity, equality and participation; energy efficiency and natural resources: waste; climate change; and futurity.

The process for undertaking a sustainability appraisal is an agreed methodology providing consistency in approach. The outputs from the appraisals are collated in a brief sustainability appraisal report. This report summarises how the action plan is anticipated to contribute to sustainable development and will include recommendations for making the action plan stronger in future.

The sustainability appraisal report is available to read at:

[www.investinhartlepool.com](http://www.investinhartlepool.com)

## Disclosure

Information provided in response to this consultation, including personal information, may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Data Protection Act 1998 (DPA) and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.





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