

CABINET AGENDA



Monday 9th June 2008

at 9.00 am

**in Committee Room B,
Civic Centre, Hartlepool**

MEMBERS: CABINET:

The Mayor, Stuart Drummond

Councillors Hall, Hargreaves, Hill, Jackson, Payne and Tumilty

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

To receive the Record of Decision in respect of the meeting held on 27th May 2008 (previously circulated)

4. BUDGET AND POLICY FRAMEWORK

- 4.1 2008/2009 Financial Position Update and Medium Term Financial Strategy (MTFS) 2009/2010 to 2011/2012 – *Chief Financial Officer*
- 4.2 Youth Justice (Capacity and Capability) Plan 2008/09 – *Head of Community Safety and Prevention*
- 4.3 Corporate Plan 2008/09 – *Assistant Chief Executive*

5. KEY DECISIONS

- 5.1 Libraries Transformational Programme – *Director of Adult and Community Services*
- 5.2 Primary Capital Programme – Primary Strategy for Change – *Director of Children's Services*
- 5.3 Tees Valley Multi-Area Agreement – *Chief Executive and Director of Regeneration and Planning Services*

6. OTHER ITEMS REQUIRING DECISION

- 6.1 ICT Provision – Future Arrangements – *Assistant Chief Executive*
- 6.2 Multi-Use Games Area (MUGA) – Rear of St Patrick's Shops – *The Mayor*

7. ITEMS FOR DISCUSSION / INFORMATION

- 7.1 Quarter 4 – Corporate Plan 2007/2008 Monitoring Report – *Corporate Management Team*

8. REPORTS FROM OVERVIEW OF SCRUTINY FORUMS

- 8.1 Seaton Carew's Regeneration Needs and Opportunities –
 - (a) Final Report - *Regeneration and Planning Services Scrutiny Forum*
 - (b) Action Plan – *Director of Regeneration and Planning Services*



CABINET

9 June 2008

Report of: Director of Children's Services

Subject: Primary Capital Programme – Primary Strategy for Change

SUMMARY

1. PURPOSE OF REPORT

To inform members of the requirement to prepare and submit a Primary Strategy for Change document in preparation for Primary Capital Programme investment.

To seek approval to submit a Primary Strategy for Change to the Department for Children Schools and Families.

2. SUMMARY OF CONTENTS

This report provides details of the requirement to prepare and submit a Primary Strategy for Change before 16 June 2008.

3. RELEVANCE TO CABINET

The Primary Capital Programme will have a significant impact on the future provision of education in Hartlepool.

4. TYPE OF DECISION

Key Decision.

5. DECISION(S) REQUIRED

Cabinet is requested to:

- a) note the requirement to prepare and submit a Primary Strategy for Change to the Department for Children Schools and Families before 16 June 2008;
- b) approve the draft Primary Strategy for Change.

Report of: Director of Children's Services

Subject: Primary Capital Programme

1. PURPOSE OF REPORT

To inform members of the requirement to prepare and submit a Primary Strategy for Change document in preparation for Primary Capital Programme investment.

To seek approval to submit the Primary Strategy for Change to the Department for Children Schools and Families.

2 BACKGROUND

In his 2005 Budget statement the Prime Minister (then Chancellor) set out his plans for long-term strategic capital investment in primary schools through a Primary Capital Programme (PCP).

On 10th October 2007 initial PCP allocations were notified to authorities. These allocations are intended to cover the current three year Comprehensive Spending Review period. Hartlepool's allocation is:

- 2009/10: £3 million
- 2010/11: £5.4 million

Government intends that PCP will be a fourteen year programme. Information available to date suggests that Hartlepool's total allocations for PCP, over the entire PCP programme, will be in excess of £36 million. By joining up other capital sources available for primary school investment, as recommended by government, it is expected that capital spending on Hartlepool's primary schools during the fourteen year programme period could exceed £50 million.

On 26th November 2007 Cabinet authorised a first stage of consultation in preparation for the Primary Capital Programme. The aims of the first round of consultation were to share information on the Primary Capital Programme with as wide an audience as possible and to collect views on possible ways forward. The Authority did not formulate any options or proposals as part of the Stage One process and agreed that this would happen as part of further rounds of consultation, depending on the outcomes of Stage One.

Stage One consultation took place between 11th February 2008 and 21st March 2008 and the outcomes were reported to Cabinet on 27th May 2008, when Cabinet also authorised a second stage of consultation that will provide opportunities for discussion about how the Authority and its partners will ensure that primary education in Hartlepool is transformed through Primary Capital Programme investment.

3. PRIMARY STRATEGY FOR CHANGE

On 25th October 2007 the Department for Children Schools and Families (DCSF) provided initial information in respect of its requirements of local authorities in relation to the Primary Capital Programme. All authorities are expected to submit a locally agreed Primary Strategy for Change (PSfC) by 16 June 2008.

Although multi million pound government investment is to be welcomed, the following government challenges must be addressed if Hartlepool is to benefit from the Programme. Particular challenges relate to:

- Addressing standards of performance in English and maths
- Removal of excess surplus places
- Rebuilding or taking out of use schools in the worst condition
- Prioritising areas of deprivation

Transformation of teaching and learning and raising standards are fundamental to the future of primary education in Hartlepool. The Department for Children Schools and Families warns that ***“Strategies that fail to commit to addressing the issue of standards at poor performing schools will not be approved.”*** (DCSF Guidance 6 December 2007 Page 25)

Although transformation and standards issues are fundamentally more important than the number and size of schools, the (DCSF) ***“... expects local authorities to make the removal of surplus places a priority in their planning under the primary Capital Programme.”*** (DCSF Guidance 6 December 2007 Page 35)

DCSF guidance indicates that the government will ***“... expect to see decisive plans for early action to:***

- ***Ensure that no school has more than 25% surplus places;***
- ***Reduce overall surplus places to less than 10% across the local authority area.”*** (DCSF Guidance 6 December 2007 Page 26)

The key focus of any thinking about the future of primary education in Hartlepool must deliver on key issues such as:

- Ensuring excellent outcomes for children and young people in relation to:
 - Being Healthy
 - Staying Safe
 - Enjoying and Achieving
 - Making a Positive Contribution
 - Achieving Economic Well-Being
- Improving early years outcomes
- Raising standards from Foundation Stage through to Key Stage Two
- Narrowing gaps in achievement
- Supporting inclusion and the delivery of improvements in Special Educational Needs provision
- Delivering a more personalised approach to learning for all pupils
- Enhancing transformed and personalised learning experiences through the use of digital and interactive technologies (ICT)
- Ensuring access to extended services

- Providing opportunities for improving children's physical and emotional health and well-being
- Promoting healthy eating

After due consideration of all the issues listed above, a Primary Strategy for Change has been drafted for Cabinet consideration and is attached as **Annex A** to this report.

4. CONSULTATION ON DRAFT STRATEGY FOR CHANGE

The draft Strategy for Change was completed in May 2008 and sent to key partners and stakeholders, including:

- Elected Members
- Headteachers
- Governors
- Diocese
- Project & Stakeholder Boards

Five consultation meetings took place on 2nd, 4th and 5th June. Views were particularly sought from elected members, headteachers, chairs of governing bodies and governors who are parents. Outcomes from these meetings will be reported to Cabinet at their meeting on 9th June. Primary headteachers and chairs of governing bodies have been invited to co-sign a statement supporting the draft Primary Strategy for Change. The Department for Children Schools and Families requires that the primary Strategy for Change is supported by the majority of primary schools.

The Schools Transformation Project Board considered the draft Primary Strategy for Change at its meeting on 2nd June. Outcomes from this meeting will be reported to Cabinet at their meeting on 9th June.

5. RISK IMPLICATIONS

If the Authority does not submit a Primary Strategy for Change by 16 June 2008 there is a risk that Hartlepool may not receive its share of Primary Capital Programme investment, or that investment will be significantly delayed.

11. DECISIONS REQUIRED

Cabinet is requested to:

- a) note the requirement to prepare and submit a Primary Strategy for Change to the Department for Children Schools and Families before 16 June 2008;
- b) approve the draft Primary Strategy for Change.

Contact Officer

Paul Briggs, Assistant Director of Children's Services (01429) 284192

CHILDREN'S SERVICES DEPARTMENT

Every Child Matters

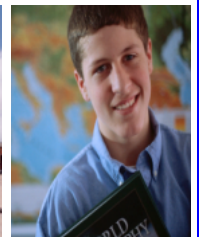
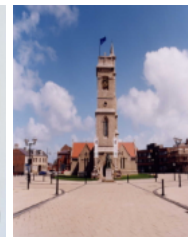


Primary Capital Programme

Primary Strategy for Change

(Draft as at 21.05.08)

June 2008



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APPENDIX 2 – Condition and Suitability of Existing Buildings

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4b) Percentage of Pupils Entitled to Free School Meals

4c) Map of Hartlepool and its Schools Showing Statistical Output Areas

APPENDIX 5 – An Area Approach to School Place Planning

SECTION ONE – The Local Perspective

1.1 The Vision

1.1.1 Hartlepool Borough Council welcomes the Primary Capital Programme and the opportunities it will give us, in conjunction with other funding streams, to transform the education of children, young people and their families in Hartlepool, so that **Hartlepool is the best place in the world for our children and young people to grow up.**

We recognise that every child matters from their earliest years and we believe that children have a right to high quality play and learning experiences in their local communities. Therefore we are seeking to ensure that our primary schools are enabled to:

- play a new role at the heart of their community;
- offer twenty first century learning facilities making the most of new technologies;
- provide quality school environments which provide better personalised learning opportunities and deliver world class standards;
- place families at the centre of excellent integrated services for the benefits of their children;
- prepare children for their secondary education.

1.1.2 We will ensure that our schooling and extended life-long learning opportunities will develop citizens able to live and thrive in the 21st century. We recognise that we need good quality primary schools at the heart of their communities in Hartlepool, serving the needs of children and families. We want to ensure that all achieve their full potential, both academically and as active citizens of that community.

1.1.3 Our vision for the future of primary education has been the subject of widespread consultation in the spring of 2008 and is endorsed by our partners and stakeholders.

1.1.4 We will use Primary Capital Programme funding and other investment to address the condition and suitability of school buildings, remove excess surplus places and raise achievement. In particular we will target areas of significant deprivation, ensuring that, in Hartlepool, every child and young person reaches his or her full potential. Our principal aim is to transform teaching and learning opportunities, for the benefit of every child and young person in Hartlepool and we believe that Primary Capital Programme investment will assist us to meet the whole life learning needs of all our residents.

1.2 The Local Context

1.2.1 Hartlepool is located on the North East coast within the Tees Valley sub region. It is a compact town, with approximately 90,000 inhabitants of which 1.95% are from black and minority ethnic communities. Large areas of the Borough are very deprived. Hartlepool is the 23rd most disadvantaged area in the country with 7 out of 17 wards in the 10% most deprived nationally. Approximately 44% of Hartlepool's population lives in these wards. Unemployment is above regional and national averages and life expectancy is below national averages.

1.2.2 The Borough has seen a major transformation over the past 20 years through regeneration programmes and public and private sector investment. Hartlepool has become a successful, modern town equipped to meet the challenges of the 21st century. Our next challenge is to create the learning environments which will help to equip our children and young people to be good citizens who can take advantage of the opportunities Hartlepool offers.

1.2.3 There is strong and effective corporate leadership in Hartlepool, which is fully engaged in listening to stakeholders and in working positively with partners at all levels. There is also substantial involvement of the voluntary and community sectors. Our APA (2007) identified that *Partnership work is of an exceptional quality and a significant strength of the directorate, as is forward planning*. This makes us well placed to ensure that BSF investment will make a difference to the life chances of young people in Hartlepool. The LA is aware of those issues which will impact directly upon outcomes for children and

young people and we are actively addressing them. Our plans support the five key principles within the Children's Plan.

SECTION TWO – Baseline Analysis

2.1 Children's Plan Objectives

2.1.1 We recognise the benefit of addressing the objectives that are identified in the Children's Plan:

- Secure the health and well-being of children and young people;
- Safeguard the young and vulnerable;
- Achieve world class standards;
- Close the gap in educational achievement for children from disadvantaged backgrounds;
- Ensure young people are participating and achieving their potential to 18 and beyond;
- Keep children and young people on the pathway to success.

Our Children's Services Department was created in July 2006 and we have focused since then on addressing the Every Child Matters five outcomes that are the foundation of the Children's Plan objectives. Our first Children and Young People's Plan, published in April 2007, was created around these outcomes and we have ensured that our work as a Department and our work with schools maintains a firm focus on strategic planning. The sections that follow provide significant evidence of our achievements and progress.

2.2 Standards

2.2.1 The performance of boys at all key stages is also an area for development. Although our pupils do less well at the end of the Foundation Stage and Key Stage 1, performance at the end of Key Stage 2 is above the national average and overall performance in Hartlepool has improved year on year for the last ten years.

2.2.2 Strengths

- Key Stage 1
 - Reading and mathematics (% Level 2+) are in line with national averages for 2007. Hartlepool is 1% point above the national average in science.
 - Hartlepool is generally performing above its statistical neighbours and North East Regional LA's average in most subjects.
 - **Ethnic minority** attainment in Hartlepool (% Level 2+) has increased to 72% in writing, 91% in maths and science and reading has remained at 75% for Level 2+. The results are very encouraging considering that 50% of the ethnic minority cohort has English as an additional language.
 - **SEN and low attaining pupils** - SEN pupils (combining statement, school action plus and school action) achieving Level 2+ increased in all 3 subjects from 2006 to 2007 whilst Non-SEN decreased. Consequently the SEN and Non-SEN percentage point gap has reduced in all 3 subjects in 2007.
 - **Looked after children.** All 8 LAC have made progress against targets set in their PEP.
- Key Stage 2
 - The percentage of Hartlepool pupils achieving Level 4+ in English has increased from 80% in 2006 to 82% in 2007 (rank position 41st); maths increased from 79% in 2006 to 81% in 2007 (rank position 16th); science increased from 87% in 2006 to 91% in 2007 (rank position 9th); reading increased from 83% in 2006 to 86% in 2007 (rank position 31st) and writing increased from 67% in 2006 to 68% in 2007 (rank position 53rd).
 - The percentage of Hartlepool pupils achieving Level 4+ in English, maths, science, reading and writing are above national averages for 2007.
 - Hartlepool is generally performing well above its statistical neighbours and North East Regional LA's average in most subjects.

- Hartlepool's rate of improvement (% Level 4+) is well above the national rate of progress for English, reading, writing, maths and science; and is one of the most improving LAs nationally.
- Performance of more able pupils (% Level 5+) in Hartlepool continues to improve for reading, writing and science; English has remained the same and maths has decreased in 2007. However the Hartlepool rates of improvement between 2002 - 2007 are well above the national rates.
- Hartlepool pupils CVA score is 100.4 (rank position 11th nationally). This indicates that Hartlepool pupils are making very good progress between KS1 and KS2 (broadly half a term's more progress than the national average).
- **Floor targets.** The number of schools in Hartlepool below the government floor target of 65% has significantly reduced in 2007. There are now only 3 schools below 65% in English, 4 in maths and only 2 schools for both English and maths in 2007.
- **Gender gaps** in Hartlepool (% Level 4+) are most noticeable in English (10% point gap), reading (9% point gap) and writing (18% point gap). These are above the national gender gap.
- **Ethnic minority** attainment in Hartlepool (% Level 4+) has decreased from 2006 to 2007 in English and maths but increased in science. The attainment of ethnic minority pupils in Hartlepool at Key Stage 2 is generally very good and is above the Hartlepool and National averages.
- **SEN and low attaining pupils.** Hartlepool SEN and Non-SEN pupils are performing better than the National SEN (31%) and Non-SEN pupils (83%) for English and maths combined in 2007.
- Hartlepool SEN and Non-SEN pupils are making better progress than national SEN and Non-SEN pupils at Key Stage 2
- **Looked after children.** Only 6 LAC eligible for Key Stage 2 SATs in 2007. Attainment of LAC continues to improve with 33% achieving Level 4+ in English, 50% in maths and 83% in 2007.

2.2.3 Areas for Development

- Foundation Stage
- The percentage of Hartlepool pupils achieving a score of 6+ in each of the six areas of learning in 2007 and is well below the national average.
- The achievement of boys continues to be a challenge as they perform less well in all 13 areas of learning (assessment). The most noticeable gender differences are in creative development (20% point gap), writing (17% point gap), social development (14% point gap), emotional development (14% gap), language for communication and thinking (12% point gap), linking sounds and letters (12% point gap), reading (12% point gap) and physical development (10% point gap),
- Hartlepool is consistently in the bottom 10% of LA's nationally in terms of the rank order of LA's (rank orders ranging from 120th for mathematic development – calculation to 147th for knowledge and understanding of the world and physical development).
- Foundation Stage Profile (FSP) results in 2007 have decreased in 10 of the 13 assessments areas, however this reflects more accurate and rigorous teacher assessment as teachers become more familiar with the FSP assessment process. LA investigations suggest that this year's results are a fair reflection of the abilities of the cohort.

Key Stage 1

- % of Hartlepool pupils achieving Level 2+ in reading has remained at 84% in 2007 (rank position 60th out of 150 LA's); writing decreased from 81% in 2006 to 78% in 2007 (rank position 101st); maths decreased from 91% in 2006 to 90% in 2007 (rank position 62nd); speaking & listening decreased from 88% in 2006 to 86% in 2007 and science remained at 90% in 2007 (rank position 51st).
- Hartlepool is 1% point below national average in speaking and listening L2+ and 2% below the national average in writing.
- Results in writing are below national, statistical neighbours and regional LA average.
- Hartlepool's rate of improvement (% Level 2+) is broadly in line with the national for reading, maths and science however writing and speaking & listening is below the national rate.
- Performance of more able pupils (% Level 3) continues to be a challenge with performance below the national average in all subjects with reading, science and speaking & listening being most noticeable.

- Even though the gap between SEN and Non-SEN pupils appears to be narrowing at KS1 the attainment of Non-SEN pupils has decreased.
- **Gender gaps** in Hartlepool (% Level 2+) are most noticeable in reading (10% point gap), writing (13% point gap) and speaking & listening (8% point gap) and are above the national gender gap.
- The achievement of boys (% Level 2+) in Hartlepool continues to be a challenge as they generally perform less well than girls in most areas with writing and reading being most noticeable.

Key Stage 2

- There has been a significant improvement in boy's achievement in reading, writing and English during 2002-2007, however the percentage of boys achieving a Level 5+ for writing continues to be a challenge in Hartlepool.

2.3 Every Child Matters

2.3.1 The National Healthy Schools Programme (NHSP) has proved to be a valuable catalyst for the development and progression of the healthy lifestyles agenda throughout primary schools in Hartlepool. The Hartlepool Healthy Schools programme (HHS) has a strong strategic position in the town, featuring strongly in the Children and Young People's Plan, Local Area Agreement, National Service Framework and Public Health Strategy and this is translated into a wide variety of operational plans across many agencies. To date, 73% of primary schools (22 out of 30) have achieved their National Healthy School Status (NHSS) and both the primary special school and nursery school have also achieved their NHSS, bringing the overall total to 80%. There is a range of innovative developments across the town, with the celebration and the sharing of good practice being key features of partnership work.

2.3.2 A Healthy Eating conference is held annually, to facilitate continuous progression and development. Schools engage well with the Community Nutritionist, in partnership with the HSS programme, in order to make effective progress with recommended best practice and statutory requirements. A recent project (funded through the Neighbourhood Renewal Fund) was particularly successful. The 'lifestyle nurse' was invaluable in supporting targeted schools to make rapid progress with the healthy eating agenda. The number of breakfast clubs continues to increase. Only one school does not have its own on-site kitchen. There is 100% take up of the School Fruit and Vegetable Scheme (SFVS). The majority of schools have used their individual allocations of the 'Transforming School Meals' grant to address the issues of drinking water access and the dining room environment. It is, however, the minority of primary schools that are fortunate enough not to have to rely upon a multi-purpose school hall and most schools have to work within the many restrictions that this causes.

2.3.3 The Authority is committed to inclusion and our plans will ensure that all learners in Hartlepool have access to a broad and balanced curriculum, including the National Curriculum. We also recognise that choice for parents is central to this. The Joint Area Review in March 2007 noted the Council's "excellent policy for including pupils with special educational needs in mainstream schools" and identified that "parents have a real choice of schools for their children." Hartlepool maintains one small primary special school, with 54 pupils on roll, Springwell Primary Special School. A number of pupils are dual registered at Springwell and a mainstream primary school and Springwell welcomes guest pupils. The school operates inreach and outreach provision.

In Hartlepool we recognise the benefits of maintaining first class specialist provision while at the same time trying to ensure that all children can have their needs met in a mainstream school if parents prefer this. We currently provide additional resources at four mainstream schools and we intend to review this as part of our forthcoming consultation.

2.3.4 Hartlepool has a mixed economy of childcare providers both in the maintained and Private, Voluntary and Independent (PVI) sector. 25 of our 30 primary schools have on site childcare in the form of breakfast, after school and/or holiday care. In addition 3 primary schools deliver integrated childcare alongside their free nursery entitlement. All primary schools are supported by a network of childminders and PVI out of school childcare businesses providing 'pick up' and 'drop off' services - thus ensuring that childcare is available in or through every primary school in the town. However, the recent (January 2008)

Childcare Sufficiency Assessment (CSA) indicated that whilst there are sufficient day-care and childminding places in the town, gaps in breakfast and holiday care remain. These gaps are currently being addressed through the CSA Action Plan and through integrated working in localities.

2.3.5 Hartlepool was one of the first local authorities to merge their children's centre and extended school programmes into one integrated strategy. This has enabled us to deliver the children's centres and extended schools core offer to all children in the town using a locality based model. We currently have 7 children centre 'hubs' and a further 14 satellites on both maintained and non-maintained premises. 13 primary schools currently have children's centre satellites with bespoke premises that enable the delivery of the core offers. In 2008-09 we have a commitment to at least 1 more children's centre outside of the top 30% most disadvantaged areas of the town.

All children's centres, including those on primary schools sites, provide accommodation for integrated teams of professionals working to improve outcomes for every child in Hartlepool – this includes health visitors, midwives, family support workers, domestic violence abuse workers and speech and language therapists. In addition colleagues from the PVI sector provide commissioned services within our premises in order to reach every child in Hartlepool and to ensure we meet the core offers. All existing children's centres are located in the top 20% most deprived areas in relation to the 2004 Index of Multiple Deprivation.

2.3.6 All primary schools in Hartlepool are extended schools delivering a variety of services to children, young people, their families and the wider community. Two primary schools benefit from onsite community learning facilities funded by both New Deal for Communities and SureStart capital. Four primary schools have SPACE for Sport (and in some cases Arts) status which have been further complemented with SureStart capital investment and one school has Football Foundation Status, again further complemented with SureStart capital. All of these primary schools also deliver children's centre services making them stronger and more sustainable in their delivery models to improve outcomes for children. Over the past four years we have worked hard to maximise the effectiveness of our SureStart, Extended Services and Early Years capital grants. Children's centres have been built on primary school sites and funding has increasingly been joined up with other initiatives such as NDC, SRB and SPACE to create innovative, exciting and sustainable community spaces. In selecting schools for significant development, as described in this section, priority has generally been given to areas of particular deprivation.

2.4 Diversity, Choice and Responsiveness to Parents

2.4.1 In January 2007 Hartlepool maintained 8,918 primary school places in the seven year groups from Reception to Year Six. Projections to January 2017 estimate 7,705 pupils in this age range. A significant demographic decline has taken place in recent years in Hartlepool. Year on year projections show a fluctuation in the overall numbers in Hartlepool primary schools over the ten year planning period 2007 to 2017 on which our current rounds of public consultation have been based, although the 2007 actual and 2017 projection overall figures are very similar. Surplus places already exist in Hartlepool schools. There are two major areas of housing development in Hartlepool, Victoria Harbour and Bishop Cuthbert and the distribution of surplus places between schools can be seen in Appendix 1.

Victoria Harbour, in the east of the town, is a very significant public private partnership regeneration project that is planned over the next twenty years. It will provide a mixture of commercial, residential and leisure facilities. Outline planning consent has been given and further work is on-going to identify the exact scope of the development. The Tees Valley Joint Strategy Unit which supports us in our long term school place planning has factored the potential Victoria Harbour development into our 2017 projections for Area One as described in Section 2.6 below.

Significant development has already taken place at Bishop Cuthbert in the north of the town, with more residential dwellings to be provided over the next five years. We will consult on whether to provide a new school for Bishop Cuthbert, as outlined in Section 2.6.2.

2.4.2 The overall level of surplus places is approximately 13%. We believe that it would be appropriate to maintain 7% surplus place overall, to allow for unforeseen shifts in the pupil population and to facilitate parental preference. In January 2007, 4 individual schools maintained more than 25% surplus places. We are currently reviewing our provision of primary school places and we have developed options for change that will ensure a reduction of between 650 and 700 excess surplus places. Consultation on these options will take place over the summer of 2008 and we expect to be able to formulate proposals during autumn 2008. We will ensure that no individual school has an inappropriate excess of surplus places and that our overall target of 7% surplus places is achieved. We believe that our early consultation and plans for change will put us in a strong position to know precisely how our primary school estate will be configured, ahead of our initial investment under the Primary Capital Programme.

In order to ensure that our review of school places is manageable, we have divided the town into four areas. The schools in each area are listed in Appendix 5. Because Areas 1 and 2 are located towards the North of the town and will serve the needs of Victoria Harbour and Bishop Cuthbert respectively, the need to remove surplus places in these areas is limited. There is a need to remove approximately 225 places in Area 3 and 348 places in area four

2.4.3 Hartlepool currently maintains 32 primary schools as follows:

- 20 Community Primary Schools
- 3 Church of England Voluntary Aided Primary Schools
- 1 Church of England Controlled Primary School
- 6 Roman Catholic Voluntary Aided Primary Schools
- 1 Primary Special School
- 1 Nursery School

Three schools serve village communities, two of which work collaboratively under the leadership of a single headteacher and have indicated a wish to federate.

2.5 Buildings and ICT

2.5.1 Every effort has been made, over many years, to address condition and suitability issues, through use of capital funding streams made available to the Authority and Dioceses by DCSF and schools' Devolved Formula Capital. In addition, the Authority has made an annual Revenue Contribution to Capital Outlay (RCCO) allocation of approximately £500,000 per annum to supplement other sources of capital funding. The Children's Services Department Asset Manager has worked closely with schools and the Dioceses to maximise the benefit of capital investment. We recognise, however, that some schools have condition issues and excess surplus capacity and that many are unsuited to our vision for 21st Century teaching and learning with its emphasis on transformation and personalisation, supported by ICT.

2.5.2 We are committed to an integrated approach to ICT, across all phases of education and we see definite benefits of aligning PCP investment in ICT with our already well developed BSF plans for an ICT managed service. All Hartlepool schools are involved in the BECTA self review process; this enables professional identification and sharing of good practice and areas for further development. There is an identified steering group of headteachers who meet regularly to inform the ICT process at a primary level and they also take part in the secondary BSF ICT visioning activities. We are developing a Borough wide wireless infrastructure to support our vision for Learning Anytime Anywhere by Anyone. We have secured agreement to a single Learning Platform, accessible by all and we are strengthening links with the Looked After Children Programme and Home and Hospital Tuition, in order that the needs of vulnerable groups are fully met.

2.5.3 In preparation for Primary Capital Programme investment we have recently updated our asset management data on every primary school. Within the last nine months officers from our technical services department have visited schools and have assessed the level and cost of work required under the headings:

- Urgent
- Essential
- Necessary
- Desired

We commissioned an expert officer from a neighbouring authority to conduct a suitability survey of all our schools, reporting the number of rooms in each school under the headings:

- Unable to teach curriculum
- Teaching methods inhibited
- Management or organisation of school affected adversely
- Pupil or staff morale affected adversely

The outcomes of these condition and suitability surveys are shown in Appendix 2.

2.5.4 Home to School Transport is provided for 22 schools. A total of 179 pupils are currently transported:

- 111 Special Educational Needs Pupils
- 52 Mainstream Pupils
- 16 Special Educational Needs Pupils who require additional lunchtime transport

Hartlepool Education Authority will continue to aim to offer families school places that are within a reasonable distance of their place of residence. In some cases this is not always possible, and therefore the Authority will aim to:

- Promote walking and cycling to and from school in order to reduce the number of car journeys as part of the Authority's commitment to protecting the environment in which we live and work;
- Strive to ensure that journey times to and from school for pupils are reasonable so no pupil is disadvantaged by the routes in use;
- Provide transport, where necessary, which is safe and meets the requirements of all parties whilst remaining cost effective.

Transport will be provided free of charge for those pupils of primary age who are travelling over the statutory walking distance to/from the main entrance of their nearest suitable school or where the walking route is deemed unsafe. Full account will also be taken of the Extended Rights to Free Travel requirements.

Hartlepool Borough Council has recently established an Integrated Transport Unit. One of its principal aims is to allow all users to move easily between different types of transport regardless of their mobility needs. The outcome will be a single transport service that seamlessly joins a range of modes and operators, and which provides good links to a fully accessible 'mainstream' public transport system.

2.6 Need for Investment

2.6.0 In order to ensure a coherent strategic approach to school place planning that addresses the needs of local communities, we have divided our schools into four geographical areas.

2.6.1 Area One. In terms of transformation, performance, condition, suitability and surplus places, Area One is not a priority area for early investment through the Primary Capital Programme. Significant investment in one school may be required in later phases, due to the condition of the buildings. It is

expected that other building needs can be met from existing capital funding resources (eg Devolved Formula Capital, Modernisation, Authority's own resources).

2.6.2 Area Two. In terms of transformation, performance, condition, suitability and surplus places, Area Two does not have excess surplus places overall, but there is a need to address significant over-capacity in one particular school which also has issues in terms of condition, suitability and standards. Further detail to be added on options for consultation after Project Board meeting on 2nd June.

2.6.3 Area Three. The projections for Area Three indicate a potential for almost 350 surplus places in 2017. We are targeting the removal of 225 excess surplus places and forthcoming consultation will consider how this will be achieved. Further detail to be added on options for consultation after Project Board meeting on 2nd June.

2.6.4 Area Four. Area Four provides us with the most significant challenges in terms of pupil performance and surplus capacity. It is worth emphasising, however, that three of the schools in this area have additionally resourced provision for Key Stage Two pupils with moderate learning difficulties and that all three schools achieve above the 65% Level 4 baseline in English and maths if the MLD pupils are discounted from the host school's performance. Further detail to be added on options for consultation after Project Board meeting on 2nd June.

2.6.5 Issues around the possible replacement of Springwell Primary Special School are described in Section 3.3.2. Four schools have additionally resourced units that are intended to meet significant Special Educational Needs in a mainstream setting. Forthcoming consultation will consider the appropriateness of continuing with some or all of this provision.

SECTION THREE – Long Term Aims

3.1 Children's Plan

3.1.1 We are committed to ensuring that our planning for the reconfiguration of our primary school estate over the next fourteen years, supported by Primary Capital Programme investment, will support delivery of the Children's Plan. The type of buildings that we create and their accessibility to the local community will enable a range of extended services to be provided to support the health of children and their parents, whether through the provision of sports facilities, out of school clubs, breakfast clubs, community/parent meeting spaces, play facilities, health facilities, children's centres and adult education spaces.

We will build community capacity and family resilience to help break the cycle of poverty while supporting children's enjoyment. We will design future services in collaboration with local families as well as key stakeholders including the community and voluntary sector. We will aim to close the attainment gap through the personalisation of learning. We will facilitate workforce development to support transformational learning and extended school provision. We will ensure robust safeguarding arrangements for those working with children.

We will make explicit links to other services through new, integrated and joint commissioned services, led by the Children's Trust and under-pinned by partnership and joint working arrangements. We will promote primary - secondary partnership links and strong transition arrangements. All activity planned to address the Children's Plan objectives will be developed in close consultation with children, young people and families.

The sections that follow provide more detail on our explicit activity and commitment.

3.2 Standards

3.2.1 In Hartlepool we are totally committed to improving educational outcomes for all children and young people of all ages, especially for the most disadvantaged and for those who are low-achieving. Section 2.2 provides a robust and detailed analysis of educational outcomes within the primary age range. We have identified issues of school and pupil performance on a school by school basis; the outcomes of this analysis can be found in Appendix 3. This information was presented to parents and members of the public during full public consultation in spring 2008.

3.2.2 We are committed to providing robust solutions for schools that are performing poorly. Options for forthcoming consultation have been formulated in light of standards data as well as surplus place issues. Our options include reducing the size of schools, school closure and schools working together under collaboration, federation or Trust arrangements.

3.2.3 Admission arrangements for the transfer from primary education to the secondary phase are currently based on geographical zones. From September 2009 we are moving to a partner primary system of secondary school admissions. We believe that this will enhance and formalise existing good practice in terms of primary – secondary liaison and transition. We are planning to maintain 7% surplus capacity to respect parental preference.

We are exploring the possibility of vertical collaboration between primary and secondary schools, in both mainstream and special education sectors, particularly where co-location already exists or is planned

3.2.4 Our Schools Transformation Programme Extended Project Team already includes Technical Advisers, a Client Design Adviser, a CABE enabler, engagement with the Sorrell Foundation and a Design Champion. These partners are already fully engaged in the BSF element of our Schools Transformation Programme and we will extend their remit where appropriate to support us in realising our primary investment ambitions. We will consider all available advice, guidance and best practice exemplars as we approach the design of new and remodelled primary schools. Our engagement with the Sorrell Foundation ahead of the design of our BSF schools has been particularly successful and we will aim to adopt a similar approach whereby schools identified for significant investment will be encouraged and supported to develop their own Pupil Design Champions who will have a significant voice in the design of their schools.

3.2.5 We firmly believe that ICT is a significant tool to support transformation of teaching and learning, rather than an end in itself. We have already made significant progress in our strategic approach to ICT as described in Section 2.5.2. We are committed to ensuring that all children and all schools benefit from ICT developments, not just those who directly benefit from Primary Capital Programme investment. We are actively exploring how we can maximise the benefit of £9 million investment in ICT through BSF for the primary sector by extending the scope of our BSF plans and securing additional funding for primary schools.

We will encourage enhanced collaborative working on ICT issues between secondary schools and partner primary schools. We will ensure that a single Learning Platform is available to all and encourage all schools to subscribe to it. We will support those primary schools who are already working with media suites and high end software to enhance their provision further and to become models for the dissemination of good practice. We will ensure that our administrative systems are efficient and link appropriately to the common Learning Platform. We will support and encourage parents and carers to access information relevant to their child's learning and progress, within a secure environment.

3.2.6 Personalised Learning is at the heart of our drive to improve outcomes for young people in Hartlepool. It presents an exciting opportunity to further challenge and enhance traditional models of learning and teaching as new and mobile technologies, extended schools, collaborative provision and developments in remote and informal learning radically change the context in which learning will take place.

We have a clear view of what personalised learning looks like in Hartlepool and this has been informed by the 2020 Gilbert Report. Personalised learning for us means taking a highly structured and responsive approach to each pupil's learning, so that all pupils are enabled to progress, achieve and participate. In Hartlepool we will therefore:

- ✓ engage all pupils and their parents as partners in learning through the effective use of ICT to improve parental access to pupil performance and progress information and to improve communications between schools and parents
- ✓ enable all pupils to understand themselves better as learners – including developing assessment for learning to enable pupils to set and review their own personal targets
- ✓ ensure all pupils are supported and challenged to meet their full potential through the development of curriculum pathways that reflect individual needs and aptitudes
- ✓ help pupils to become independent lifelong learners by ensuring that they are given the skills and opportunities to make judgements about how they learn as well as what they learn
- ✓ give pupils more choice about what, how and where they learn through innovation such as Learning Platforms, mobile technologies and a diverse and differentiated curriculum offer
- ✓ extend activities outside of schools to better meet the needs of pupils and their families
- ✓ design and re-design schools wherever possible to ensure appropriate spaces are provided to allow a flexible approach to teaching and learning that can embrace a greater diversity in the size and age mix of pupil groupings

We have agreed and secured capital funding to create a Classrooms of the Future development, based at St Hild's Church of England Secondary School. Our initial plan is to create approximately 150m² of space that can be configured and equipped in a number of different ways in order to facilitate experimentation and workforce development ahead of transformation of teaching and learning opportunities provided through BSF and Primary Capital Programme investment. The principal sponsors and stakeholders in this enterprise will be St Hild's School and St John Vianney Roman Catholic Primary School which is located on a site adjacent to St Hild's. We hope to have our Classrooms of the Future ready for use by September 2009 and will encourage all primary and secondary schools to make full use of this facility.

3.3 Every Child Matters

3.3.1 Our vision for inclusive schooling in Hartlepool includes the development of a community campus which will provide a centre of excellence for primary and secondary special education. The development of this campus will build upon the successes already achieved and provide a truly leading edge model for pupils with special needs.

To achieve this, we intend to co-locate Catcote Secondary Special School with Springwell Primary Special School on the site currently occupied by Brierton Community School. We will maintain two separate institutions as we believe that children with Special Educational Needs have an age appropriate curriculum and a right of transition between the primary and secondary phases of education. We will, initially, create a hard federation as our governance model and move towards an over-arching Trust over time, with a single executive headteacher.

We believe that bringing these two schools together in a new build, co-location will be cost effective in both capital and revenue terms and will ensure that our young people in these schools have the high quality specialist facilities that their individual learning needs require. Subject to formal Council approval, proceeds of sale from the disposal of the existing Springwell and Catcote sites will complement existing BSF and other investment. We are hoping to secure additional capital resources outside of the Primary Capital Programme to add to BSF resources in order to realise our co-location ambitions. If, however, we are unable to secure the necessary funding to achieve all elements of our community campus, we will reluctantly reduce the scope to ensure that, as a minimum, the school re-locations will at least take place as this is an agreed LA priority.

3.3.2 One of the most significant features of Hartlepool's inclusion practice has been the in-reach and outreach support provided by our special schools. This will continue with outreach support provided by

both specialist teaching assistants and teachers. Pupils will continue to be dual registered at both mainstream and special schools as is appropriate to their needs. We will review the additionally resourced provision at four mainstream primary schools, covering physical and medical needs, speech and language needs and moderate learning difficulties.

3.3.3 In order to promote the true concept underpinning a healthy school, our priorities are to develop learning environments which encourage and facilitate the development of healthy lifestyles for the whole school community. The ethos of the Hartlepool Healthy Schools programme is that through the promotion of healthy minds and healthy bodies, pupils' readiness to learn and aspire to achieve their full potential will be realised. Future provision therefore needs to ensure that the current innovative practices become embedded practices at a town-wide level. There are several key features of future school environments that will facilitate these opportunities for pupils and communities and support them to make healthy lifestyle choices.

These include the following priority areas:

- Sustainability - in relation to water, energy efficiency, recycling, etc. One of our primary schools has achieved international Green Flag status; our vision is to develop sustainability much further, supported by the opportunities that the primary Capital Programme will create.
- Physical environment – this must be of a high quality, aesthetically pleasing and promote a welcoming and calming ethos. This will promote the emotional health and well-being of those using the facilities.
- Outdoor play, outdoor learning and environmental education – we wish to maximise opportunities to develop appropriate facilities as we develop and re-develop school sites through major capital investment. We would wish to link this to our existing play strategy and youth offer, maximising the out-of-hours use of external facilities.
- Dining areas – specific areas that facilitate a happy and healthy eating/dining experience, large enough to comfortably seat all pupils in only one or two sittings. Along with this comes the need for on-site kitchens which are equipped to accommodate the requirements of the healthy eating agenda, (for example cold storage/refrigeration).
- Drinking water – accessibility is an essential feature within the dining room as well as throughout the buildings.
- 'Hall' – a space that can be used to accommodate/facilitate the active learning/discursive whole class 'circle time' sessions that are invaluable for pupil voice as well as coverage of a vast amount of the PSHE (Personal, Social, Health and Economic) education curriculum.

3.3.4 Hartlepool is committed to transforming teaching and learning with the support of the Primary Capital Programme. The aim is to support schools in developing facilities and a curriculum that has maximum impact for learners. This includes their experiences in individual lessons, the learning approaches they encounter, the routines of the school day, school events, extracurricular activities and the school environment and ethos. Schools will be challenged to rethink the way in which PE and school sport is currently delivered in relation to the "transformation" agenda and the "five hour offer" and to marry up the needs and aspirations for curricular delivery against community needs in relation to the "extended schools" agenda.

The Primary Capital programme will enhance and drive forward the PE and Sport agenda through the strengthened School Sports Partnership network already in place and, with other partners, deliver primary schools fully equipped for 21st Century learning, at the heart of the community, with children's services in reach of every family and high quality provision for sport, recreation and play accessible by all.

3.3.5 Hartlepool will continue to progress its integrated children's centres and extended schools strategy, making full use of the transformation that the Primary Capital Programme offers us. We will work in partnership with primary schools to develop even further the joint core offers. We will continue to consult with parents, carers, children and young people in order to establish what services they want and need and how best we can meet those needs within their communities. We will pay particular attention to

marginalised groups such as children with disabilities, looked after children and those unlikely to engage. The opportunity to build upon and create new and innovative community spaces in conjunction with colleagues in the health, police and community learning sectors will be exploited.

3.3.6 One further Children's Centre needs to be completed by March 2010. Decisions have not been made about the site of this Centre as consultation needs to take place with all partners over the next year. Initial findings indicate that this Phase 3 centre would be best placed on a school site to complement current extended services.

3.3.7 We will endeavour to ensure that, at all times children are safe from harm. Working with schools, pupils and their parents and guardians we will design buildings that provide a safe environment at all times. We will pay particular attention to the design of small spaces where children will work in small groups or one to one with adults; to circulation, social and toilet areas to ensure that children are safe from bullying; and to play areas to ensure that children can be adventurous and can enjoy play, without unnecessary risk of harm. We will take a rigorous approach to e-safety, without stifling the innovation and excitement that enhanced use of technology can bring to teaching and learning experiences.

3.4 Diversity, Choice and Responsiveness to Parents

3.4.1 We are committed to encouraging, supporting and promoting diversity of provision. This is evidenced by the fact that our five post-BSF mainstream secondary schools all have foundation or voluntary aided status and work together collaboratively with the Local Authority and each other. We will explore self governing and Trust status with primary schools, as well as promoting collaboration among primary schools and between primary and secondary schools.

3.4.2 We are committed to removing excess surplus places. We have conducted a rigorous appraisal of our school place provision, as described in Sections 2.4 and 2.6, supported by data in Appendix 1. We have concluded that a target of 7% overall surplus is appropriate in our largely urban authority. We will ensure that no school will have more than 25% surplus places and our intention to develop robust solutions to the removal of excess surplus places is clearly signposted in Section 2.6 and 5.5.

3.4.3 We are including options to enlarge popular and successful schools in our next stage of consultation. Further detail to be added on options for consultation after Project Board meeting on 2nd June.

3.4.4 Detailed formative consultation is fundamental to how we engage with our key partners, often referred to locally as The Hartlepool Way. We have concluded a first stage of consultation in preparation for Primary Capital Programme and the options for change to be considered at Stage Two have been formulated in light of the outcomes from Stage One.

We have consulted parents on our draft Primary Strategy for Change, focusing in particular on seeking the views of governors who are parents of primary age children. The final version of this document was amended following consultation.

3.4.5 Our BSF strategy is fully committed to diversity of provision, but we believe that it is not necessary to promote the development of Academies to achieve this. It is unlikely that Academy provision will therefore be relevant to our Primary Capital Programme strategy.

3.5 Buildings and ICT

3.5.1 We aim to ensure that high quality primary education is available in every area of our town and that no family has to travel an unreasonable distance to access a good school. Part of the recent consultation process examined the issue of minimum and maximum primary school sizes. The Council's view is that the maximum size of a primary school in Hartlepool should be 420 (2FE) plus a nursery. There is no set minimum size to be adopted as we are intent on providing the best possible organisational arrangements that reflect the specific needs of communities across the town. We are reviewing our provision on an area basis and the specific school capacities will be set on this basis. We believe that personalisation,

collaboration and creative use of ICT can significantly enhance the learning experience in a school of any size. We will ensure that our overall provision is appropriate and cost effective

3.5.2 We are excited by the opportunity to transform our primary schools. We are optimistic and ambitious and we are proud of our reputation as a “Can Do” authority. Our ambitions are based on the solid foundation of the analysis we have undertaken and which is described in Section 2. We are confident that our ambitions can be realised and our confidence is partly based on the successes of our BSF work and the lessons we have learned.

3.5.3 We recognise that Primary Capital Programme funding will not address the needs of all schools. We wish to ensure that every child and young person in Hartlepool has access to excellent education in excellent facilities, supported by state of the art ICT. We will work with our schools to develop a master plan for each institution. We will ensure that we achieve our individual target of rebuilding or taking out of use at least 15% of schools in the worst condition.

3.5.4 We commit to maximising opportunities to join together available capital funding to secure the optimum benefit from Primary Capital Programme investment. Our overall aim is that all schools will benefit from significant capital investment during the lifetime of the Primary Capital Programme. We will take account of Modernisation, Basic Need, Access and LCVAP allocations administered by the Authority. We will encourage schools to plan strategically their use of Devolved Formula Capital allocations. We will add funding from the Authority’s own resources to enhance the overall capital pot. We have established a Capital Reference Sub-Group of our Schools Forum to oversee this process from a strategic perspective.

3.5.5 We commit to recycling any proceeds of sale from released primary school sites to support Primary Capital Programme and other capital investment. We will bring proceeds of sale from any other available assets to supplement funding where appropriate.

3.5.6 Our initial assessment is that we may need to provide up to six new builds over the Primary Capital Programme period. We will ensure that new builds are achieved as soon as possible where provision also addresses significant standards and surplus place issues. There may be situations where significant condition issues suggest a new build solution, but high performance and lack of surplus places lead us to conclude that a condition based replacement should take place later in the programme when the most significant performance, surplus place and deprivation issues have been appropriately addressed. We would however welcome any opportunity for early investment through acceleration of the programme in our small Authority.

SECTION FOUR – Approach to Change

4.1 Capacity Building and Change Management

4.1.1 Hartlepool is a BSF Wave 5 authority. Our Strategy for Change Part 1 was assessed as good and Strategy for Change Part 2 was recently submitted.

4.1.2 Because of its BSF position, Hartlepool already has significant capacity to deliver strategic programmes. The BSF Project Board, Stakeholder Board, Core Project Team and Extended Project Team have all been renamed as the Schools Transformation Project Board, Stakeholder Board, Core Project Team and Extended Project Team. Membership of these boards and teams has been enhanced to recognise the demands of the Primary Capital Programme. Project Board membership includes the Church of England and Roman Catholic dioceses and Stakeholder Board membership includes the voluntary and community sector.

4.2 Planning, Monitoring and Evaluation

4.2.1 Hartlepool recognises its role as commissioner of services and delivery agent for the Children's Plan. The Authority has been commissioning and contracting services in a number of areas, for example using voluntary and community sector providers to deliver activities for Children's Fund. However it was recognised that these processes needed to be developed further to ensure that:

- ✓ the council's procurement procedures were being applied consistently
- ✓ value for money was being achieved
- ✓ there was no inappropriate duplication of services.

The Children's Services Department has lead responsibility for working with other organisations to ensure that commissioning works effectively across agencies, particularly those that are purchasing services. Commissioning within Children's Services has already been strengthened and the next steps will be the publication of the Commissioning Framework and the Children and Young People's Plan (CYPP) 2009 – 2012. A commissioning framework is currently being consulted upon on behalf of the Children and Young People's Strategic Partnership (CYPSP) and it is expected that the framework will be ratified by the CYPSP in June 2008. Hartlepool's first CYPP is currently under review and a new CYPP is due to be published in April 2009. Both of these strategic documents will support and inform the commissioning process by identifying where there are gaps as well as duplication of services.

4.2.2 The Schools Transformation Programme is already deeply embedded within the Hartlepool culture. The elected Mayor, Deputy Mayor, Children's Services Portfolio Holder and Chief Executive are all members of the Schools Transformation Project Board, along with other senior councillors and chief officers. Schools Transformation is a standing item on every fortnightly Mayor and Cabinet Briefing and on every weekly Children's Services Management Team meeting. Corporate managers are regularly briefed on the progress of the Schools Transformation Programme and feature articles appear regularly in relevant newsletters and the Council's quarterly magazine "Hartbeat" that is distributed to every household in Hartlepool.

4.2.3 Significant revenue budget resources have been made available for the management of the programme. Specialist advisers have been engaged, initially in support of the BSF project, but their remit will be extended, where appropriate to support the Primary Capital Programme.

4.2.4 The Primary Capital Programme in Hartlepool will be strategically led by the Schools Transformation Project Director. Implementation of the programme will be managed by the Schools Transformation Core Project Team, under the leadership of the Schools Transformation Project Manager. The Director of Children's Services will be the Project Sponsor.

4.2.5 A draft of the Primary Strategy for Change was sent to all headteachers and all primary school governors, as well as to a wide range of partners and stakeholders. Comments were invited and those consulted were invited to attend one of four consultation events. Particular emphasis was placed on recording the views of headteachers, chairs of governing bodies and governors who are parents. Letters of support were received from [redacted] primary schools, co-signed by the headteacher and chair of governing body.

4.2.6 In selecting projects for investment throughout the Primary Capital Programme period, particular emphasis will be placed on transforming teaching and learning, raising standards, removing excess surplus places, addressing the most significant issues in terms of condition and suitability and targeting areas of greatest deprivation. Our analysis of need for investment can be found in Section 2.6 and our initial priorities for investment are outlined in Section 5.

4.2.7 Delivery of the Primary Capital Programme in Hartlepool will be formally monitored by the Schools Transformation Project Board that meets monthly. Short term impact will be evident from our action to address condition and suitability issues and remove excess surplus places. The longer term impact will be seen from rising standards, resulting from the robust action we will take to address school and pupil performance.

4.3 Achieving Educational Transformation

4.3.1 Hartlepool recognises that the Primary Capital Programme is much more than a building programme. We welcome the opportunity of significant investment to support us to drive up standards and transform teaching and learning.

4.3.2 We have been working with a group of seven primary headteachers, elected by all primary headteachers, through a Steering Committee. One of the headteachers on the group is the primary headteacher representative on the Schools Transformation Project Board. The other six are all members of the Schools Transformation Stakeholder Board. By working together on the design of the programme and its individual projects we will ensure that the key focus remains on transforming teaching and learning and raising standards, as well as securing in-depth headteacher involvement and ownership.

4.3.3 Hartlepool's long-term aims of enhancing teaching and learning through Information and Communications Technology are articulated in Section 3.2.5. Initial visioning work has already taken place, but there will be a period of more intensive work around the visioning process for ICT within the Primary Capital Programme, beginning in July 2008. The primary headteachers' steering group for ICT will be joined by Local Authority officers, the Advanced Skills Teachers for ICT and some secondary colleagues in order to ensure that the cross-phase momentum and sharing of ideas is maintained.

4.3.4 We see education as a life-long whole-life experience. All except one primary school in Hartlepool has a nursery unit attached. In the remaining area of the town there is a maintained nursery school close to a Church of England primary school. We are currently exploring, through consultation, whether and how early education in this particular area can best be delivered.

4.3.5 For admissions to secondary school from September 2009 onwards, a partner primary system is being introduced, as described in Section 3.2.3. We believe that this will formalise and strengthen the already close links that exist between many primary and secondary schools. Closer collaboration between schools, within and across phases, will facilitate sharing of best practice, sharing of detailed understanding about individual pupil progress and contribute to the transformation of the teaching and learning experiences of pupils and staff.

4.3.6 We believe that transformation of teaching and learning can be supported by how schools are designed or re-designed. In particular we wish to focus on creating flexible spaces of a variety of sizes to facilitate greater personalisation of the learning experience. We will ensure that there are large ICT enabled spaces where significant sized groups can benefit from lead lessons and team teaching, as well as breakout spaces for small group work and one-to-one tuition. We will look at best practice exemplars regionally, nationally and internationally, maintaining our focus throughout on transformation and raising achievement.

4.4 Every Child Matters

4.4.1 We recognise that all schools can play a significant role in the heart of the community in which they are located and which they serve. This is particularly true of primary schools, as many parents and carers bring their children to the school at the beginning of the school day and collect them when school formally finishes. Our school place planning and our strategies for removal of excess surplus places are informed by this recognition and we are planning to take the opportunity of surplus place removal to enhance extended and community facilities. The North Hartlepool Cluster achieves Next Practice in terms of its work in a particularly deprived area of town and we hope to enhance this provision further and replicate it where possible, supported by significant capital investment.

Hartlepool's district police commander is an active member of the Schools Transformation Stakeholder Board and we are exploring opportunities for the police and neighbourhood support workers to engage with the public through primary schools. Hartlepool is already a Neighbourhood Policing Pilot area for Cleveland Police. We will look for opportunities to develop multi-function areas of schools to facilitate community engagement.

4.4.2 All schools will offer the core of extended services by 2010 and many are well on their way to be full service extended schools. We will use Primary Capital Funding and all other relevant sources of funding, as described in Section 4.5.2 to help address any deficiencies that are due to under investment.

4.4.3 We are planning to build an additional Children's Centre in 2010, as described in Section 3.3.6. We will consider carefully the possibility of co-location with a new or refurbished school, provided that this is consistent with achieving our overall priorities for the Primary Capital Programme in relation to transformation, standards and removal of excess surplus places.

4.4.4 We will ensure that the planning of all individual school projects funded under the primary Capital Programme considers the scope for improving health, promoting healthy eating and access to indoor and outdoor areas for sport and games, alongside play areas and play facilities. Only one school in Hartlepool does not currently have its own kitchen and this will be addressed by Primary Capital Programme investment, if not earlier. Two schools currently have no grassed outdoor play areas and we are considering moving them to a new site in a co-location.

4.4.5 Hartlepool's current range of maintained early years provision is described in Section 4.3.4. Our links to private sector provision are described in Section 2.3. We will carefully consider the implications of any significant proposals on existing early years provision, as well as taking any opportunities to enhance provision further. We will ensure that our Play Strategy provides equal access to quality play provision for all Hartlepool's children and young people.

4.5 Finance

4.5.1 Hartlepool recognises that it will only be possible to transform teaching and learning through capital investment at all schools if all relevant partners work together to ensure that we make best use of all available resources. Hartlepool's Schools Forum has agreed to establish a Capital Projects Sub Group to lead this strategically. All capital projects at schools, whatever the funding stream, will be discussed by this group before they are presented to the Children's Services Portfolio Holder for approval. We will invite schools to present their Devolved Formula Capital funded projects to the Schools Forum Sub Group in the same way.

4.5.2 The Authority will commit to joining up all available sources of DCSF capital funding in its approach to the Primary Capital Programme, principally:

- ✓ Modernisation Fund
- ✓ Basic Need
- ✓ School Access
- ✓ Extended Schools Capital
- ✓ Targeted Capital Fund

Depending on the outcomes of forthcoming consultation, it is likely that there will be proceeds of sale from disposal of existing school land and buildings **Further detail to be added on options for consultation after Project Board meeting on 2nd June.**

Prudential borrowing is currently being considered in both BSF and Primary Capital Programme contexts and all other available sources of capital and revenue funding will be used to optimise the investment opportunity.

4.5.3 Hartlepool is committed to ensuring that all schools are able to benefit from Primary Capital Programme investment. We recognise that the 10% liability for voluntary aided schools may be a significant issue for some governing bodies. We have already begun to discuss these issues with the relevant dioceses and the Authority and dioceses have committed to working together to find solutions where problems occur. We are also aware of VAT issues at voluntary aided schools.

4.6 Procurement

4.6.1 The Authority recognises that large-scale investment over a fourteen year period must be planned carefully and that we must ensure that we get the best possible value for money to support our transformation agenda. We are already engaged with our Regional Centre of Excellence through the 4ps regional network that supports our BSF planning. We will ensure that our procurement complies with the Office of Government Commerce (OGC) / Local Government Task Force (LGTF) Common Minimum Standards. The Council's corporate Head of Procurement is an active member of the Schools Transformation Extended Project Team.

4.6.2 Hartlepool will be inviting applications to be the BSF ICT managed service provider through an OJEU notice that we expect to publish in January 2009. We are hoping to have appointed our ICT provider by autumn 2009 and we will explore with schools through consultation, and with prospective providers through the competitive dialogue and negotiation processes, the possibility of procuring Primary Capital Programme ICT development alongside BSF. As a minimum we wish to ensure that primary schools can benefit from the opportunities that wireless infrastructure and a common learning platform can provide.

4.6.3 It is expected that Hartlepool's BSF capital works will take place between the summer of 2010 and the beginning of 2013. It is expected that we will engage a design and build construction partner from the Academies Framework. We intend to maximise the opportunity that BSF will present to procure significant Primary Capital Programme works from our BSF construction partner during this period and we will explore with the BSF partner the possibility of procuring work at primary schools beyond the BSF programme period.

4.7 Design

4.7.1 Hartlepool is committed to achieving excellence in all aspects of its engagement in the Primary Capital Programme. We recognise that excellent design is crucial to the achievement of our vision and strategic aims. We want children to experience awe and wonder, the "wow" factor, as they move through their new and re-designed schools.

4.7.2 In preparation for BSF investment we have already engaged a Client Design Adviser and appointed a member of Cabinet as Design Champion and we are engaged with a CABE enabler. We intend to extend the remit of these advisers, where appropriate, to support us through the Primary Capital Programme investment period. We will ensure that every member of the design team appointed to any major project fully understands and can articulate what school transformation means in terms of design.

4.7.3 We will ensure that any school that is to benefit from significant investment is fully involved in the preparation of the design brief, supported by the Schools Transformation Project Team and the Client Design Adviser.

4.7.4 We will ensure that all designs are inclusive, in order that new or re-designed schools fully meet the needs of pupils with learning difficulties and disabilities. We intend that our primary special school, rebuilt in a co-location with our secondary special school as part of a community campus, will provide a world class learning environment for some of Hartlepool's young people who have the most profound and complex difficulties, as well as a resource to support mainstream pupils.

4.7.5 We believe that school buildings and grounds are central to the transformation of teaching and learning in schools. Our BSF experience with the Sorrell Foundation has led to the identification of student design champions for each of the secondary schools that will benefit from major investment. We will use the Design Quality Indicator for Schools process (DQI) to ensure that the vision and ambitions of primary pupils, staff, governors, parents and communities are reflected in new and remodelled primary school buildings and to see that the transformation is achieved in a sustainable way.

By creating high quality primary school buildings and grounds, we have the opportunity to make a real difference to young people, their families and communities.

4.7.6 Hartlepool fully accepts that all new build projects must achieve at least a “very good” BREEAM rating and a 60% reduction in carbon emissions. Every opportunity will be taken to encourage greater sustainability and more efficient use of energy in all projects of whatever size. We will also use the design process to encourage pupils to consider green issues and to be as fully involved as possible in planning for sustainability and efficient use of energy, both in the design and subsequent operation of their schools.

4.7.7 We will ensure that the design process takes full account of any opportunity to provide or enhance existing provision of extended, youth and community services.

4.7.8 Hartlepool recognises the need to ensure that schools maintain their buildings properly in the long-term. The Neighbourhood Services Department of the Council provides a service level agreement with schools in respect of revenue and minor capital maintenance of school buildings. The service provided is generally well received by schools. We intend to review and strengthen the service level agreement, as well as ensuring that we have a rigorous approach to monitoring the condition of school buildings. We will challenge schools where necessary to prioritise use of their revenue budgets and Devolved Formula Capital allocations. The Schools Forum Capital Reference Sub Group will play a key role in supporting our approach to ensuring proper maintenance of school buildings.

SECTION FIVE – Initial Investment Priorities

5.1 Our Approach to Prioritisation

5.1 In considering our approach to prioritisation of projects to be funded from Primary Capital Programme investment, we are committed to the transformation of teaching and learning, improving standards, removal of excess surplus places, addressing the most significant condition and suitability issues and focusing on areas of significant deprivation.

5.2 Our Priorities

5.2 Our priorities areas of the town are Area Three and Area Four, both of which include some of the most deprived localities within Hartlepool, the 23rd most deprived Authority in the country. Within these areas we wish to address the most significant issues of performance and excess surplus places as soon as possible. We also wish to resolve the issue of whether a new school is the most appropriate solution for Area Two, as a new school would need to be provided before development of the area is completed and children settled in alternative primary schools.

5.3 Priorities for the first four years

It would be possible to settle on a specific project or projects at this time, but there is a danger that in doing so we would settle for an easy solution rather than a solution that would have the greatest impact on standards and surplus capacity. We are about to consult on options for organisational change. This will inform proposals to be published in autumn 2008 and resolved through due statutory procedures before the end of the current financial year, enabling us to begin the procurement of significant capital works early in 2009/10 at the start of the Primary Capital Programme investment period. In preparing for BSF investment we resolved our organisational issues before confirming our investment plans and we have been highly commended by PfS, DCSF, 4ps and other local authorities for this approach, which enables a clear focus on transformation once organisational issues have been resolved.

We will commit all available capital resources in order to deliver our early priorities:

- the already announced £8.4 million for the Primary Capital Programme within the current spending round
- LCVAP allocations where appropriate
- Modernisation, Access and Basic Need allocations
- Devolved Formula Capital from affected schools
- any relevant proceeds of sale
- capital funding from the Council's own resources.

SECTION SIX – Conclusion

6.1 In Hartlepool we are excited by the opportunities that significant investment in our primary schools through the Primary Capital programme and other capital funding streams present. We are aspirational, keen to innovate and totally committed to the transformation of teaching and learning supported by ICT. Our 2006 JAR Inspectors recognised that “the council and its partners provide excellent leadership for children’s services. There are clear and challenging ambitions for children and young people in Hartlepool, a strong shared commitment to them and an exceptional unity of purpose” (para 76). We are confident that we will implement our Primary Strategy for Change to the benefit of future generations of the children and young people of Hartlepool.

5.2 APPENDIX 1

School Places and Pupil Projections

BARNARD GROVE PRIMARY SCHOOL, Barnard Grove, Hartlepool TS24 9SD

Size of school January 2007 (excl nursery)	351
Total pupils January 2007	304
Spare places January 2007	47
Projected pupils January 2017	307
Projected spare places January 2017	44

BROUGHAM PRIMARY SCHOOL, Brougham Terrace, Hartlepool TS24 8EY

Size of school January 2007 (excl nursery)	334
Total pupils January 2007	287
Spare places January 2007	47
Projected pupils January 2017	272
Projected spare places January 2017	62

CLAVERING PRIMARY SCHOOL, Clavering Road, Hartlepool TS27 3PN

Size of school January 2007 (excl nursery)	345
Total pupils January 2007	290
Spare places January 2007	55
Projected pupils January 2017	310
Projected spare places January 2017	35

ELDON GROVE PRIMARY SCHOOL, Eldon Grove, Hartlepool TS26 9LY

Size of school January 2007 (excl nursery)	428
Total pupils January 2007	445
Spare places January 2007	0
Projected pupils January 2017	416
Projected spare places January 2017	12

ELWICK HALL C of E PRIMARY SCHOOL, North Lane, Elwick, Hartlepool TS27 3EG

Size of school January 2007 (excl nursery)	96
Total pupils January 2007	105
Spare places January 2007	0
Projected pupils January 2017	94
Projected spare places January 2017	2

FENS PRIMARY SCHOOL, Mowbray Road, Hartlepool TS25 2LY

Size of school January 2007 (excl nursery)	419
Total pupils January 2007	369
Spare places January 2007	50
Projected pupils January 2017	350
Projected spare places January 2017	69

GOLDEN FLATTS PRIMARY SCHOOL, Seaton Lane, Hartlepool TS25 1HN

Size of school 2007 (excl nursery) (includes a 12 place support base for pupils with moderate learning difficulties)	177
Total pupils January 2007	151
Spare places January 2007	26
Projected pupils January 2017	142
Projected spare places January 2017	35

GRANGE PRIMARY SCHOOL, Owton Manor Lane, Hartlepool TS25 3PU

Size of school 2007 (excl nursery) (includes a 21 place, additionally resourced provision for pupils with physical and medical needs and also a 12 place support base for pupils with moderate learning difficulties – Key Stage 2)	391
Total pupils January 2007	288
Spare places January 2007	103
Projected pupils January 2017	288
Projected spare places January 2017	103

GREATHAM C of E PRIMARY SCHOOL, Egerton Terrace, Hartlepool TS25 2EU

Size of school January 2007 (excl nursery)	106
Total pupils January 2007	91
Spare places January 2007	15
Projected pupils January 2017	80
Projected spare places January 2017	26

HART PRIMARY SCHOOL, Hart Village, Hartlepool TS27 3AP

Size of school January 2007 (excl nursery)	84
Total pupils January 2007	81
Spare places January 2007	3
Projected pupils January 2017	80
Projected spare places January 2017	4

HOLY TRINITY C of E PRIMARY SCHOOL, Crawford Street, Hartlepool TS25 1BZ

Size of school January 2007 (excl nursery)	210
Total pupils January 2007	220
Spare places January 2007	0
Projected pupils January 2017	221
Projected spare places January 2017	0

JESMOND ROAD PRIMARY SCHOOL, Percy Street Hartlepool TS26 OHR

Size of school January 2007 (excl nursery)	482*
Total pupils January 2007	335
Spare places January 2007	147
Projected pupils January 2017	271
Projected spare places January 2017	211

* Based on proposed new capacity

KINGSLEY PRIMARY SCHOOL, Taybooke Avenue, Hartlepool TS25 5JR

Size of school January 2007 (excl nursery) (includes a 25 place, additionally resourced provision for pupils with Autistic Spectrum Disorder)	429
Total pupils January 2007	415
Spare places January 2007	14
Projected pupils January 2017	405
Projected spare places January 2017	24

LYNNFIELD PRIMARY SCHOOL, Grosvenor Street Hartlepool TS26 8RL

Size of school January 2007 (excl nursery)	330
Total pupils January 2007	337
Spare places January 2007	0
Projected pupils January 2017	305
Projected spare places January 2017	25

OWTON MANOR PRIMARY SCHOOL, Eskdale Road, Hartlepool TS25 4BT

Size of school 2007 (excl nursery) (includes a 12 place support base for pupils with moderate learning difficulties (KS2) and a base for up to 10 places for pupils with speech and language difficulties (KS1))	279
Total pupils January 2007	179
Spare places January 2007	100
Projected pupils January 2017	180
Projected spare places January 2017	99

RIFT HOUSE PRIMARY SCHOOL, Masefield Road, Hartlepool TS25 4JY

Size of school January 2007 (excl nursery)	217
Total pupils January 2007	173
Spare places January 2007	44
Projected pupils January 2017	155
Projected spare places January 2017	62

ROSSMERE PRIMARY SCHOOL, Catcote Road, Hartlepool TS25 3JL

Size of school January 2007 (excl nursery)	385
Total pupils January 2007	318
Spare places January 2007	67
Projected pupils January 2017	307
Projected spare places January 2017	78

SACRED HEART RC PRIMARY SCHOOL, Hart Lane, Hartlepool TS26 8NL

Size of school January 2007 (excl nursery)	444
Total pupils January 2007	442
Spare places January 2007	2
Projected pupils January 2017	454
Projected spare places January 2017	0

SEATON CAREW NURSERY SCHOOL, Brompton Walk, Hartlepool TS25 2AW

Size of school January 2007 (excl nursery)	n/a
Total pupils January 2007	52
Spare places January 2007	n/a
Projected pupils January 2017	n/a
Projected spare places January 2017	n/a

SPRINGWELL SPECIAL SCHOOL, Wiltshire Way, Hartlepool TS26 OTB

Size of school January 2007 (excl nursery)	n/a
Total pupils January 2007	54
Spare places January 2007	n/a
Projected pupils January 2017	n/a
Projected spare places January 2017	n/a

ST AIDAN'S C of E PRIMARY SCHOOL, Loyalty Road, Hartlepool TS25 5BA

Size of school January 2007 (excl nursery)	407
Total pupils January 2007	336
Spare places January 2007	71
Projected pupils January 2017	338
Projected spare places January 2017	69

ST BEGA'S RC PRIMARY SCHOOL, Thorpe Street Hartlepool TS24 ODX

Size of school January 2007 (excl nursery)	140
Total pupils January 2007	131
Spare places January 2007	9
Projected pupils January 2017	151
Projected spare places January 2017	0

ST CUTHBERT'S RC PRIMARY SCHOOL, Stratford Road, Hartlepool TS25 5AJ

Size of school January 2007 (excl nursery)	308
Total pupils January 2007	259
Spare places January 2007	49
Projected pupils January 2017	225
Projected spare places January 2017	83

ST HELEN'S PRIMARY SCHOOL, Durham Street, Hartlepool TS24 OHG

Size of school January 2007 (excl nursery)	280
Total pupils January 2007	220
Spare places January 2007	60
Projected pupils January 2017	302
Projected spare places January 2017	0

ST JOHN VIANNEY RC PRIMARY SCHOOL, King Oswy Drive, Hartlepool TS24 9PA

Size of school January 2007 (excl nursery)	210
Total pupils January 2007	194
Spare places January 2007	16
Projected pupils January 2017	202
Projected spare places January 2017	8

ST JOSEPH'S RC PRIMARY SCHOOL, Musgrave Street, Hartlepool TS24 7HT

Size of school January 2007 (excl nursery)	168
Total pupils January 2007	157
Spare places January 2007	11
Projected pupils January 2017	156
Projected spare places January 2017	12

ST TERESA'S RC PRIMARY SCHOOL, Callander Road, Hartlepool TS25 3BG

Size of school January 2007 (excl nursery)	315
Total pupils January 2007	292
Spare places January 2007	23
Projected pupils January 2017	287
Projected spare places January 2017	28

STRANTON PRIMARY SCHOOL, Southburn Terrace, Hartlepool TS25 1SQ

Size of school January 2007 (excl nursery)	350
Total pupils January 2007	240
Spare places January 2007	110
Projected pupils January 2017	271
Projected spare places January 2017	79

THROSTON PRIMARY SCHOOL, Flint Walk, Hartlepool TS26 OTJ

Size of school January 2007 (excl nursery)	385
Total pupils January 2007	311
Spare places January 2007	74
Projected pupils January 2017	405
Projected spare places January 2017	0

WARD JACKSON PRIMARY SCHOOL, Clark Street, Hartlepool TS24 7LE

Size of school January 2007 (excl nursery)	150
Total pupils January 2007	122
Spare places January 2007	28
Projected pupils January 2017	136
Projected spare places January 2017	14

WEST PARK PRIMARY SCHOOL, Coniscliffe Road, Hartlepool TS26 0BU

Size of school January 2007 (excl nursery)	315
Total pupils January 2007	312
Spare places January 2007	3
Projected pupils January 2017	305
Projected spare places January 2017	10

WEST VIEW PRIMARY SCHOOL, Davison Drive, Hartlepool TS24 9BP

Size of school January 2007 (excl nursery)	383
Total pupils January 2007	297
Spare places January 2007	86
Projected pupils January 2017	290
Projected spare places January 2017	93

5.2 APPENDIX 2

Condition and Suitability of Existing Buildings

The condition of school buildings

We have given the costs of all the work that our specialist advisers have told us needs to be done in each school, using the following headings.

- | | |
|-----------|---|
| Urgent | Prevent immediate closure of the property/address high risk to health and safety of occupants/remedy serious breach of legislation.
Demands immediate action. |
| Essential | Prevent serious deterioration of the property or service/address medium risk of health and safety of occupants/remedy less serious breach of legislation.
Should be addressed or at least considered for further action in the forthcoming year. |
| Necessary | Prevent deterioration of the property or service/address low risk of health and safety of occupants/remedy less serious breach of legislation.
Should be considered for further action within the next three years. |
| Desired | Prevent possible deterioration of the property or service.
For longer term consideration |

The suitability of school buildings

Suitability is defined as **how well** school premises meet the needs of pupils, teachers and other users and contribute towards educational standards. Surveys have recently been carried out by a specialist adviser in conjunction with each headteacher and council personnel. Throughout the process the vital question has been "is this area fit for purpose?" And where problems exist they have been allocated to one of the following categories which are used by all councils (The details are preliminary findings and need to be verified)

- | | |
|------------------------------|---|
| A Unable to teach curriculum | C Management or organization of school affected adversely |
| B Teaching methods inhibited | D Pupil or staff morale or pupil behaviour affected adversely |

BARNARD GROVE PRIMARY SCHOOL, Barnard Grove, Hartlepool TS24 9SD

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	463,070	187,180	113,680

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	0	7	9

BROUGHAM PRIMARY SCHOOL, Brougham Terrace, Hartlepool TS24 8EY

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	27,840	180,050	107,120

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	6	1	1

CLAVERING PRIMARY SCHOOL, Clavering Road, Hartlepool TS27 3PN

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	120,630	84,735	43,900

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	3	1	1

ELDON GROVE PRIMARY SCHOOL, Eldon Grove, Hartlepool TS26 9LY

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	92,837	7,615	52,893

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	12	5	3

ELWICK HALL C of E PRIMARY SCHOOL, North Lane, Elwick, Hartlepool TS27 3EG

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	140,126	93,707	47,260

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	3	4	3

FENS PRIMARY SCHOOL, Mowbray Road, Hartlepool TS25 2LY

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	100,511	7,030	15,000

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	3	7

GOLDEN FLATTS PRIMARY SCHOOL, Seaton Lane, Hartlepool TS25 1HN

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	55,337	209,812	77,118

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	2	0

GRANGE PRIMARY SCHOOL, Owton Manor Lane, Hartlepool TS25 3PU

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	61,555	14,365	78,795

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	4	2	9

GREATHAM C of E PRIMARY SCHOOL, Egerton Terrace, Hartlepool TS25 2EU

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	46,570	31,543	92,643

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	2	0

HART PRIMARY SCHOOL, Hart Village, Hartlepool TS27 3AP

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	10,888	97,069	5,361

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	5	2

HOLY TRINITY C of E PRIMARY SCHOOL, Crawford Street, Hartlepool TS25 1BZ

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	123,385	172,570	12,785

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	6	8	2

JESMOND ROAD PRIMARY SCHOOL, Percy Street Hartlepool TS26 OHR

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	107,290	107,180	485,675

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	2	4	7

KINGSLEY PRIMARY SCHOOL, Taybooke Avenue, Hartlepool TS25 5JR

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	50,469	84,840	95,360

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	4	1	0

LYNNFIELD PRIMARY SCHOOL, Grosvenor Street Hartlepool TS26 8RL

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	20,228	108,946	37,024

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	6	4	0

OWTON MANOR PRIMARY SCHOOL, Eskdale Road, Hartlepool TS25 4BT

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	114,210	62,890	53,660

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	0	0	2

RIFT HOUSE PRIMARY SCHOOL, Masefield Road, Hartlepool TS25 4JY

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	91,234	41,834	31,450

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	1	1	9

ROSSMERE PRIMARY SCHOOL, Catcote Road, Hartlepool TS25 3JL

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	179,985	273,890	6,590

Number of spaces where issues arise				
	A	B	C	D
Suitability	0	0	2	1

SACRED HEART RC PRIMARY SCHOOL, Hart Lane, Hartlepool TS26 8NL

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	312,110	79,650	5,870

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	13	2

SEATON CAREW NURSERY SCHOOL, Brompton Walk, Hartlepool TS25 2AW

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	0	2,380	18,850

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	0	1

SPRINGWELL SPECIAL SCHOOL, Wiltshire Way, Hartlepool TS26 OTB

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	67,339	22,310	38,690

	Number of spaces where issues arise			
	A	B	C	D
Suitability Survey	0	3	0	2

ST AIDAN'S C of E PRIMARY SCHOOL, Loyalty Road, Hartlepool TS25 5BA

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	157,845	110,755	17,992

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	4	18

ST BEGA'S RC PRIMARY SCHOOL, Thorpe Street Hartlepool TS24 ODX

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	79,071	92,353	79,140

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	4	1

ST CUTHBERT'S RC PRIMARY SCHOOL, Stratford Road, Hartlepool TS25 5AJ

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	266,314	158,799	14,676

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	3	3	6

ST HELEN'S PRIMARY SCHOOL, Durham Street, Hartlepool TS24 OHG

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	129,614	178,260	53,360

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	4	4

ST JOHN VIANNEY RC PRIMARY SCHOOL, King Oswy Drive, Hartlepool TS24 9PA

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	52,120	66,110	3,990

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	5	12

ST JOSEPH'S RC PRIMARY SCHOOL, Musgrave Street, Hartlepool TS24 7HT

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	77,000	178,896	131,364

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	1	3	0

ST TERESA'S RC PRIMARY SCHOOL, Callander Road, Hartlepool TS25 3BG

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	161,475	78,640	12,000

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	3	1	7

STRANTON PRIMARY SCHOOL, Southburn Terrace, Hartlepool TS25 1SQ

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	90,710	222,203	185,610

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	3	1

THROSTON PRIMARY SCHOOL, Flint Walk, Hartlepool TS26 OTJ

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	133,770	209,059	278,296

	Number of spaces where issues arise			
	A	B	C	D
Suitability	1	0	2	0

WARD JACKSON PRIMARY SCHOOL, Clark Street, Hartlepool TS24 7LE

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	106,815	21,800	100,700

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	0	4

WEST PARK PRIMARY SCHOOL, Coniscliffe Road, Hartlepool TS26 OBU

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	177,086	202,907	46,233

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	5	4

WEST VIEW PRIMARY SCHOOL, Davison Drive, Hartlepool TS24 9BP

	Urgent	Essential	Necessary	Desired
Condition costs (£'s)	0	218,143	162,387	222,390

	Number of spaces where issues arise			
	A	B	C	D
Suitability	0	0	4	18

5.2 APPENDIX 3

Pupil and School Performance

BARNARD GROVE PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	83.6%	76.5%	97.7%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	89.1%	67.6%	97.7%
Percentage of pupils achieving Level 4+ in English and Maths combined (age 11)	81.8%	58.8%	95.5%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	101.3	100.2	101.8

BROUGHAM PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	70.6%	68.1%	84.6%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	86.3%	80.9%	87.2%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	66.7%	63.8%	79.5%
Contextual Value Added score Key Stage 1 to Key Stage 2	100.3	100.6	101.0

CLAVERING PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	84.2%	78.6%	77.8%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	94.7%	73.2%	86.7%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	84.2%	69.6%	71.1%
Overall Contextual value added score Key Stage 1 to Key Stage 2	101.0	99.3	99.7

ELDON GROVE PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	72.2%	83.8%	91.8%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	74.7%	79.4%	88.5%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	65.8%	75.0%	88.5%
Overall Contextual value added score Key Stage 1 to Key Stage 2	99.2	99.9	100.8

5.2 APPENDIX 3

ELWICK HALL C of E PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	88.9%	85.7%	100.0%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	100.0%	85.7%	93.3%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	88.9%	78.6%	93.3%
Overall Contextual value added score Key Stage 1 to Key Stage 2	99.8	98.8	98.8

FENS PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	96.8%	90.2%	92.9%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	96.8%	95.1%	87.5%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	93.5%	86.9%	83.9%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	102.0	101.6	101.2

GOLDEN FLATTS PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	84.0%*	81.3%*	79.2%*
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	76.0%*	75.0%*	83.3%*
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	76.0%*	68.8%*	75.0%*
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.9*	99.9*	99.6*

* Includes performance figures for pupils in the Key Stage 2 Moderate Learning Difficulties Support Base

GRANGE PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	75.6%*	72.4%*	72.3%*
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	77.8%*	72.4%*	61.7%*
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	68.9%*	65.5%*	57.4%*
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.4*	100.7*	100.5*

* Includes performance figures for pupils in the Key Stage 2 Moderate Learning Difficulties Support Base and Physical & Medical Difficulties Base and provision for pupils with

5.2 APPENDIX 3

GREATHAM C of E PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	90.9%	81.3%	90.9%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	72.7%	81.3%	90.9%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	63.6%	75.0%	90.9%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.8	100.0	100.7

HART PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	100.0%	100.0%	92.9%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	90.9%	77.8%	92.9%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	90.9%	77.8%	92.9%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.7	99.8	99.8

HOLY TRINITY C of E PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	96.9%	96.7%	93.3%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	84.4%	86.7%	93.3%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	84.4%	83.3%	90.0%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.6	100.3	99.9

JESMOND ROAD PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	64.9%	77.8%	70.1%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	68.9%	87.3%	74.6%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	60.8%	74.6%	61.2%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.3	99.4	99.9

5.2 APPENDIX 3

KINGSLEY PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	89.1%*	93.2%*	98.2%*
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	89.1%*	94.9*	100%*
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	84.4%*	91.5%*	98.2%*
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	101.4*	100.8*	101.7*

* Includes performance figures for pupils the in Speech & Language Support Base

LYNNFIELD PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	69.1%	57.1%	79.6%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	58.2%	69.4%	71.4%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	52.7%	51.0%	69.4%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.5	99.4	100.9

OWTON MANOR PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	45.2%*	66.7%*	76.9%*
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	35.7%*	63.0%*	61.5%*
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	35.7%*	48.1%*	57.7%*
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	98.2*	99.5*	100.0*

* Includes performance figures for pupils in the Key Stage 2 Moderate Learning Difficulties Support Base

RIFT HOUSE PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	76.7%	63.8%	87.9%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	80.0%	63.8%	78.8%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	70.0%	51.1%	75.8%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.5	99.2	100.7

5.2 APPENDIX 3

ROSSMERE PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	77.8%	72.4%	57.5%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	74.1%	53.4%	57.5%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	66.7%	51.7%	45.0%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.8	99.7	98.8

SACRED HEART RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	88.1%	97.4%	94.5%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	88.3%	90.9%	96.4%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	81.4%	90.9%	94.5%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.2	101.1	101.7

SEATON CAREW NURSERY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	n/a	n/a	n/a
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	n/a	n/a	n/a
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	n/a	n/a	n/a
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	n/a	n/a	n/a

SPRINGWELL SPECIAL SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	0.0	14.3%	0.0
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	0.0	0.0	6.7%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	0.0	0.0	0.0
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	n/a	n/a	n/a

5.2 APPENDIX 3

ST AIDAN'S C of E PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	72.5%	80.0%	81.7%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	68.6%	76.7%	81.7%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	62.7%	71.7%	75.0%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.0	100.1	99.1

ST BEGA'S RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	90.0%	83.3%	80.0%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	85.0%	87.5%	80.0%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	80.0%	75.0%	75.0%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.6	100.1	99.2

ST CUTHBERT'S RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	83.3%	84.8%	89.2%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	81.3%	82.6%	86.5%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	79.2%	78.3%	81.1%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.1	99.7	99.5

ST HELEN'S PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	80.0%	70.0%	54.8%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	50.0%	70.0%	69.0%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	46.7%	57.0%	42.9%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.6	99.8	99.9

5.2 APPENDIX 3

ST JOHN VIANNEY RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	80.0%	88.9%	84.6%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	73.3%	88.9%	96.0%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	70.0%	85.2%	84.6%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	101.0	101.3	101.3

ST JOSEPH'S RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	87.1%	90.6%	83.9%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	83.9%	78.1%	80.6%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	77.4%	75.0%	74.2%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.8	99.3	99.9

ST TERESA'S RC PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	93.6%	90.9%	100.0%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	91.5%	90.9%	97.4%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	91.5%	89.1%	97.4%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.8	101.8	101.7

STRANTON PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	82.5%	89.5%	83.7%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	80.0%	92.1%	81.4%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	77.5%	86.8%	81.4%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	101.3	102.7	101.9

5.2 APPENDIX 3

THROSTON PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	80.4%	86.8%	74.3%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	73.9%	86.8%	77.1%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	69.6%	76.3%	65.7%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	100.2	99.5	99.8

WARD JACKSON PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	53.8%	25.9%	41.2%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	53.8%	37.0%	35.3%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	38.5%	18.5%	29.4%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.8	97.5	98.4

WEST PARK PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	100.0%	100.0%	95.2%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	97.7%	97.8%	85.7%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	97.7%	97.8%	83.3%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	101.4	101.0	100.8

WEST VIEW PRIMARY SCHOOL

	2005	2006	2007
Percentage of pupils achieving Level 4+ in English at end of Key Stage 2 (age 11)	56.7%	70.5%	82.2%
Percentage of pupils achieving Level 4+ in maths at end of Key Stage 2 (age 11)	73.3%	79.5%	73.3%
Percentage of pupils achieving Level 4+ in English and maths combined (age 11)	50.0%	70.5%	68.9%
Overall Contextual Value Added score Key Stage 1 to Key Stage 2	99.8	99.8	98.4

5 2 Appendix 4a - Deprivation

Indicator for Deprivation in 2008-11 School Funding Allocations

DCSF No	School Name	2007 deprivation
2310	Barnard Grove Primary School	62.66
2090	Brougham Primary School	85.75
7026	Catcote	69.52
2238	Clavering Primary School	37.36
2151	Eldon Grove Primary School	55.38
3003	Elwick Hall CE Primary School	30.78
2187	Fens Primary School	53.75
2126	Golden Flatts Primary School	65.19
2364	Grange Primary School	78.73
3006	Greatham C of E Primary School	50.8
2001	Hart Primary School	27.46
3330	Holy Trinity Primary School	35.87
2127	Jesmond Road Primary School	73.69
2189	Kingsley Primary School	67.63
2153	Lynnfield Primary School	82.09
2182	Owton Manor Primary School	85.89
2341	Rift House Primary School	78.03
2342	Rossmere Primary School	76.08
3321	Sacred Heart RC Primary School	50.01
1013	Seaton Carew Nursery School	No Information
7027	Springwell	69.76
3320	St Aidans C.E Memorial School	66.14
3328	St Bega's R.C Primary School	72.4
3322	St Cuthbert's R.C Primary School	64.13
2211	St Helen's Primary School	77.41
3329	St John Vianney R.C. Primary School	56.03
3323	St Joseph's R.C. Primary School	67.22
3324	St Teresa's R.C. Primary School	56.93
2156	Stranton Primary School	77.92
2236	Throston Primary School	55.03
2181	Ward Jackson Primary	84.67
2237	West Park Primary	21.91
2215	West View Primary	83.64

NB: Higher percentage number represents the most deprived against national standards

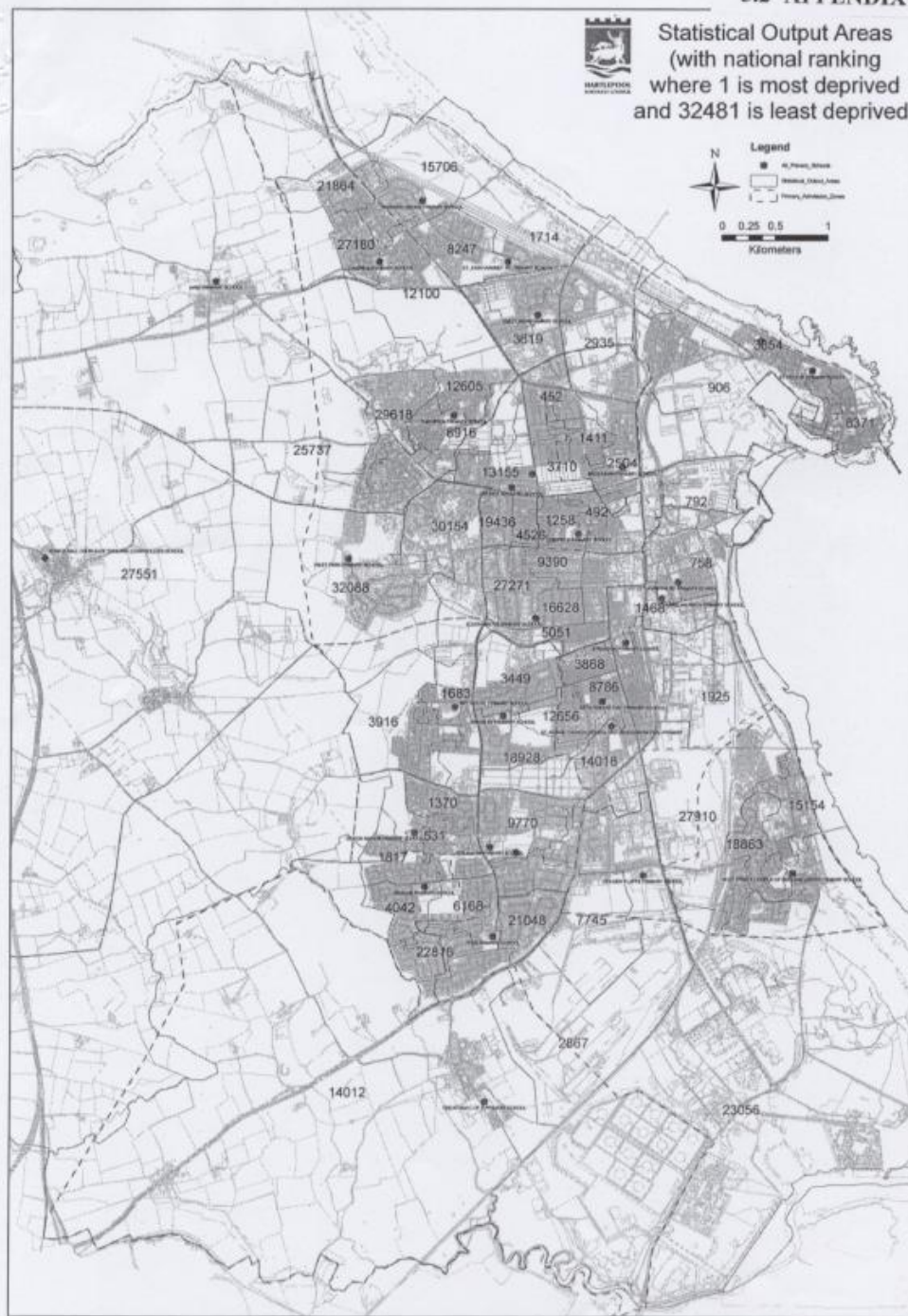
The following sources of statistical information are used to calculate the level of deprivation:

Child Tax Credits
Working Tax Credits
Child Benefit Claimants

5.2 Appendix 4b - Deprivation

Percentage of Pupils Entitled To Free School Meals	%
Barnard Grove Primary School	25.33
Brougham Primary School	62.37
Clavering Primary School	7.93
Eldon Grove Primary School	11.91
Elwick Hall CE Primary School	1.90
Fens Primary School	8.13
Golden Flatts Primary School	49.01
Grange Primary School	50.00
Greatham C of E Primary School	18.68
Hart Primary School	0.00
Holy Trinity Primary School	5.91
Jesmond Road Primary School	32.84
Kingsley Primary School	20.00
Lynnfield Primary School	47.77
Owton Manor Primary School	50.84
Rift House Primary School	26.59
Rossmere Primary School	31.76
Sacred Heart RC Primary School	7.47
Seaton Carew Nursery School	Not Available
Springwell	42.59
St Aidans C.E Memorial School	27.08
St Bega's R.C Primary School	14.50
St Cuthbert's R.C Primary School	13.90
St Helen's Primary School	33.18
St John Vianney R.C. Primary School	14.95
St Joseph's R.C. Primary School	14.01
St Teresa's R.C. Primary School	11.99
Stranton Primary School	45.42
Throston Primary School	12.54
Ward Jackson Primary	49.18
West Park Primary	0.96
West View Primary	54.55

5.2 APPENDIX 4c



5.2 APPENDIX 5

An Area Approach to School Place Planning

Primary Capital Programme Stage Two Consultation List of Schools by Area

Area One:

Barnard Grove Primary School
St Bega's RC Primary School
St Helen's Primary School
St John Vianney RC Primary School
West View Primary School

Area Two:

Clavering Primary School
Eldon Grove Primary School
Hart Primary School
Elwick Hall CE Primary School
Jesmond Road Primary School
Kingsley Primary School
Sacred Heart RC Primary School
Throston Primary School
West Park Primary School

Area Three:

Brougham Primary School
Lynnfield Primary School
St Aidan's CE Memorial Primary School
St Cuthbert's RC Primary School
St Joseph's RC Primary School
Stranton Primary School
Ward Jackson Primary School

Area Four:

Fens Primary School
Golden Flatts Primary School
Grange Primary School
Greatham CE Primary School
Holy Trinity CE Primary School
Owton Manor Primary School
Rift House Primary School
Rossmere Primary School
Seaton Nursery School
St Teresa's RC Primary School

Springwell Special School

It is intended that Springwell School will be relocated on Hartlepool Community Campus, currently the Brierton Community School site, in a co-location with Catcote Secondary Special School.

CABINET REPORT

9th June 2008



Report of: The Chief Executive and the Director of Regeneration and Planning Services

Subject: TEES VALLEY MULTI AREA AGREEMENT

SUMMARY

1. PURPOSE OF REPORT

The purpose of this report is to recommend Cabinet to endorse the draft Tees Valley MAA as presented below as the basis for submission to government. A similar report together with the draft MAA is being considered by the Cabinets of all five Tees Valley local authorities.

2. SUMMARY OF CONTENTS

The report seeks endorsement of the proposed draft Tees Valley Multi Area Agreement (MAA) relating to sub-regional funding for economic development, transport and housing. It outlines the background to the draft Tees Valley MAA and encloses the latest version of this. It describes the MAA as a delivery mechanism and a means of building on the successful partnering arrangements that have developed over time with a view to the future challenges, and within the context of the Review of Sub-National Economic Development and Regeneration (SNR). It notes that the MAA seeks to ensure that Government delivers on its commitment to devolve responsibility from Whitehall as set out in the SNR, with appropriate delegation and support for local delivery. The principles underpinning the draft MAA are explained and the objective of the MAA:-

“To deliver the agreed investment priorities earlier than would otherwise have been the case, and more cost effectively, through the integration of physical and fiscal resources and a strong and accountable governance structure within a defined performance monitoring framework.”

The report indicates how the draft MAA is a delivery mechanism that builds upon the production of a Single Programme Delivery Plan, a Housing Market Renewal Business Case and a City Region Transport Strategy and existing governance arrangements. The asks of government, the MAA

indicators/targets and the relationship between the MAA and the LAA are discussed.

3. RELEVANCE TO CABINET

The MAA is a significant development of delivery arrangements in the Tees Valley and should improve delegation of resources and decisions to a more local level.

4. TYPE OF DECISION

Key, test ii applies.

5. DECISION MAKING ROUTE

Cabinet.

6. DECISION(S) REQUIRED

It is recommended that Cabinet endorses the contents of the draft MAA as presented and authorise the Mayor and Chief Executive to negotiate the final version of the MAA, in line with this endorsement, with Central Government by the end of June 2008 or as soon as practicable thereafter.

Report of: The Chief Executive and the Director of Regeneration and Planning Services

Subject: TEES VALLEY MULTI AREA AGREEMENT

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to recommend Cabinet to endorse the draft Tees Valley MAA as presented below as the basis for submission to government. A similar report together with the draft MAA is being considered by the Cabinets of all five Tees Valley local authorities.

2. BACKGROUND

- 2.1 Since early 2007, the Council, together with the other Tees Valley Authorities, One North East (ONE) and Government Office for the North East (GONE), has been working with Central Government to develop what we believe can be included in a Multi-Area Agreement (MAA). MAAs were first highlighted in the Local Government White Paper in October 2006, and the Tees Valley MAA will be one of the first of its kind in the country, representing a trailblazing form of city regional devolution for areas outside of the core cities.
- 2.2 The MAA is the mechanism by which the place-making elements of the City Region Business Case, prepared in September 2006, will be implemented. It covers regeneration, housing and transport projects, as these are critical to economic development, and one of the strengths of the Tees Valley proposal is the ability to join together the currently separate investment streams with confidence that Government Departments will together provide the necessary backing in a timely manner.
- 2.3 The MAA is seen as a means of building on the successful partnering arrangements that have developed over time with a view to the future challenges, and within the context of the Review of Sub-National Economic Development and Regeneration (SNR). The MAA seeks to ensure that Government delivers on its commitment to devolve responsibility from Whitehall as set out in the SNR, with appropriate delegation and support for local delivery.
- 2.4 It is important that financial freedoms are granted to areas such as the Tees Valley so that they can engage the market more effectively in large economic and physical projects, thereby creating better commercial incentives for private sector involvement through the life of the programme.

- 2.5 The proposed MAA is intended to work within the existing funding arrangements and envelopes for the three main capital funding streams relating to regeneration (place), housing and transport. In terms of regeneration, agreement has already been reached with ONE for an ongoing programme of investment in the Tees Valley worth around £20 million per year, secured through the MAA process.

3.0 THE DRAFT MAA DOCUMENT

- 3.1 The latest version of the MAA is **attached to this report as Appendix A**. This version, and the supporting technical notes, was the subject of a discussion panel attended by senior Government Officials in London on 24 April 2008. The feedback from the meeting was very positive in relation to the strong partnership that the Council has with the other Authorities and its Partners, and a recognition that the draft MAA was a well-evidenced, well-argued document that had clear principles and objectives.

- 3.2 As can be seen from the document, the principles underpinning the draft MAA are as follows:

- The MAA is a mechanism to help to deliver the priorities identified within the Business Case in order to improve economic performance and hence quality of life;
- The MAA is complementary to Local Area Agreements (LAAs), but not in a hierarchical sense – it will draw on local priorities, but not take precedence over them, putting in place the economic infrastructure to enable complementary investments in working neighbourhoods, education and health to happen earlier than would otherwise have been the case;
- The MAA is intended to cover the three main capital funding streams that will support the transformational projects in terms of regeneration (place), housing and transport – these are all acknowledged as vital to economic development and need to be integrated to obtain maximum return on investment; and
- The MAA is intended to be simple and flexible.

- 3.3 The objective of the MAA is also included within the document as follows:

“To deliver the agreed investment priorities earlier than would otherwise have been the case, and more cost effectively, through the integration of physical and fiscal resources and a strong and accountable governance structure within a defined performance monitoring framework.”

- 3.4 The draft MAA sets out our key investment priorities, the resources that relate to these priorities, our proposed governance arrangements, and the outcomes that we will seek to achieve through the MAA, many of which relate to

outcomes being pursued through the Council's new LAA. Particular emphasis is placed on the governance arrangements, established through Tees Valley Unlimited.

- 3.5 The draft MAA is a delivery mechanism that builds upon the production of a Single Programme Delivery Plan, a Housing Market Renewal Business Case and a City Region Transport Strategy. In summarising these it recognises the importance of the three spatial priorities for the Tees Valley including the Coastal Arc. It acknowledges that the Coastal Arc programme represents a comprehensive approach, through a long term holistic strategy for the sustainable regeneration of the coastal communities of Hartlepool with Redcar & Cleveland, to developing and diversifying their local economies. It builds upon a rich mix of investment opportunities such as Victoria Harbour, natural assets, historical and cultural resources and popular visitor attractions and destinations existing within these two coastal areas. It emphasises that the Coastal Arc is an economic regeneration initiative, although tourism is a key driver. The programme is essentially about attracting new investment, significantly enhancing the physical environment, securing economic inclusion and making a critical contribution to the regional tourism offer. In terms of housing programmes it outlines the Housing Market Renewal Business Case/Growth Point Bid and emphasises that the four areas in which Housing Market Renewal activity will be concentrated include North Central Hartlepool. In relation to transport the importance of the Tees Valley Bus Network Improvements, the exploration of a high quality, fast and reliable City Region rail-based solution to assist regeneration and help to avoid the transport problems and the area action plan with the Highways Agency are emphasised.

4. "ASKS" OF GOVERNMENT & TIMESCALE

- 4.1 Through the drafting of the MAA, a number of 'asks' of Government were developed which the Council and its Partners believed were crucial to maximise the potential of the MAA and help deliver increased economic growth within the Tees Valley. These 'asks' were:
- Enhanced delegation to the Region and the City Region, in line with the SNR;
 - Certainty of funding over a longer time period (5 or 3 + 2 years), with bi-annual review and renewal, to reflect the bias towards large scale transformational capital projects within our proposed MAA;
 - Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
 - A duty for national and regional agencies to participate with the MAA; and

- Development and use of a common appraisal system, based on the HM Treasury Green Book by all funding partners.
- 4.2 These therefore formed the basis of the proposed MAA 'offer' in terms of financial freedoms and flexibilities requested, and were considered vital to help the Tees Valley's economy grow at a greater rate than would otherwise have been the case.
- 4.3 Each of the 'asks' was examined in more detail at the meeting on 24 April, and in principle agreement was given to each to form part of the final MAA for the Tees Valley, subject to some finer points of detail to be worked up by the relevant Government Departments and HM Treasury. Obtaining agreement to these freedoms and flexibilities is a significant step forward to allow the Tees Valley to increase the pace of economic transformation, and no other area has yet been granted such an agreement.
- 4.4 The final outcome of the meeting on 24 April was the stated desire to have an agreed version of the MAA ready for signature by the Tees Valley Authorities and Central Government at the end of June. In this way, the Tees Valley would be the first area to conclude a successfully negotiated MAA, which would be a major coup for the Council and all concerned.
- 4.5 More importantly, having the MAA in place by the end of June will allow the Council to take advantage of the unique financial freedoms and flexibilities negotiated to help deliver the key regeneration, housing and transport schemes more efficiently and cost effectively. Although the MAA does not involve additional funding at this stage, there is the recognition that any cost savings over the 10 year programme will be shared between Central Government and the Tees Valley, allowing the Council to benefit directly from the MAA.

5.0 THE TEES VALLEY MAA & THE HARTLEPOOL LOCAL AREA AGREEMENT (LAA)

- 5.1 The MAA contains seven indicators/targets as follows:
- M1 – Gross Value Added per Head;
 - M2 – New Business Registration Rates;
 - M3 – Working Age People on Out of Work Benefits;
 - M4 – Overall Employment Rate;
 - M5 – Reliability of City Region Road Network;
 - M6 – Net Additional Homes Provided; and
 - M7 – Per Capita CO₂ Emissions from Industrial Premises.

- 5.2 These will be measured at a sub-regional level and are intended to be complementary to LAA indicators in each of the Borough Council areas but not hierarchical. They will be used to measure the added value brought by the proposed arrangements in return for funding and flexibilities etc. Some of these are already reflected in the Council's LAA though expressed in a different way such as M2 and M4 as well as a broader measure of CO2 emissions. It is intended to cross-refer to the MAA in the submitted version of the LAA.

6.0 **CONCLUSION**

- 6.1 The MAA is a great opportunity that needs to be taken forward because:
- a) To date, the development of the MAA has raised the profile of the Tees Valley within Central Government, and being the first area to sign an agreed MAA would be a major coup for the Council and its Partners.
 - b) The financial freedoms and flexibilities negotiated through the MAA are unique to the Tees Valley and present a real opportunity to ensure that our large scale investment priorities get delivered more efficiently and cost effectively.
 - c) The MAA secures a longer term funding commitment to an agreed programme of investment across the Tees Valley, based on current funding envelopes, whilst providing the opportunity for the Council to benefit directly from any cost efficiencies arising.
 - d) The MAA is entirely complementary to the Council's new LAA, putting in place the economic infrastructure to enable other investments in working neighbourhoods, education and health to happen earlier than would otherwise have been the case. It also helps the delivery of a range of the Council's core strategies, in particular its Community Strategy.
 - e) These measures should provide greater certainty and assist planning, budgeting and the leverage of additional investment within the relevant programmes in Hartlepool such as the Coastal Arc, continued housing market renewal activity and transport plans.

7. **RECOMMENDATION**

- 7.1 It is recommended that Cabinet endorse the contents of the draft MAA as presented and authorise the Mayor and Chief Executive to negotiate the final version of the MAA, in line with this endorsement, with Central Government by the end of June 2008 or as soon as practicable thereafter.

Tees Valley City Region

Multi-Area Agreement

DRAFT No 7



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This document has been produced by the Tees Valley Joint Strategy Unit, working on behalf of the Authorities of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees, and in partnership with a range of organisations.

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Executive Summary

The Tees Valley City Region is based around the five towns of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees. The sphere of influence of the Tees Valley extends from Peterlee and Durham City in the North to Northallerton in the South and from Richmond in the West to Whitby in the East.

The Tees Valley economy is based on the largest integrated heavy industrial complex in the United Kingdom. The economic performance of the Tees Valley has been generally poor both compared to the UK and international comparisons, but there are signs that the economic performance of the City Region is improving.

For the last two years, gross value added has been growing faster than the national average, there has been £1.5 billion of investment in the chemicals and energy sector, with a further £5 billion additional investment in the pipeline, a new deep sea container port agreed, and expansion of logistics at Durham Tees Valley Airport., However, we continue to face a number of economic challenges, if we are to build on recent successes, and accelerate growth.

Our response to these challenges was set out in the Tees Valley City Region Business Case. The Business Case was not intended to represent a “wish list” of requests from Government, but rather a robust, evidence based appraisal of how we envisage improving the economic performance of the Tees Valley over the next ten years in particular, thus improving the quality of life for our residents, workers and visitors.

The forward strategy contained within the Business Case was centred on two principles:

- Enhancing our existing economic assets; and
- Improving our urban competitiveness through enhancing the quality of place.

Having presented the Business Case as one that encourages delivery, the Tees Valley Partners have not sat back in the intervening period. Given the desire to be at the forefront of the challenge set down by Government for Local Authorities to be “place shapers”, we have pressed ahead, developing our key proposals in more detail, building upon a history of strong partnership working within the City Region over the last decade.

In particular, we have developed what we believe can be included in this Multi-Area Agreement (MAA), which will be one of the first of its kind in the country and could represent a trailblazing form of city regional devolution for polycentric areas outside of the core cities. The MAA is the mechanism by which the place-making elements of the City Region Business Case are implemented.

The proposed MAA includes regeneration, housing and transport, as these are critical to economic development, and one of the strengths of our proposals is the ability of the Tees Valley to join together the currently separate investment streams

with confidence that Government Departments will together provide the necessary backing in a timely manner. For example, the transport network improvements, particularly the Tees Valley Metro proposals, are key to improving the competitive advantage of the Tees Valley as a location for economic activity and building confidence in housing market renewal and growth areas.

The MAA will help deliver Government Departments' Public Service Agreement (PSA) targets, as well as Departmental Strategic Objectives (DSOs), together with a major contribution towards Regional Performance Indicators. In short, the MAA will add significant value to the current arrangements.

The MAA is intended to support the Tees Valley City Region, but the MAA proposal is made on behalf of the five Local Authorities of the Tees Valley alone, as many of the key 'asks' within the MAA could not include the whole of the administrative areas of Durham and North Yorkshire, as required by Government. However, our proposed governance arrangements at sub-Board level include both Authorities, and, where appropriate, their lower tier councils, and the benefits of the MAA will be shared across the whole of the City Region.

Our proposed MAA is a key tool in the implementation of the Review of Sub National Economic Development and Regeneration (SNR). It is a means by which the commitment to appropriate delegation and support for local delivery, where this is appropriate, can be achieved, at both a National and Regional level.

The MAA helps to put the theory of the SNR into practice by providing a means of working in true partnership with ONE and other Government Departments and Agencies, to agree an overall programme of interventions aimed at enhancing economic performance for the City Region.

The MAA seeks to ensure that Government delivers on its commitment to devolve responsibility from Whitehall as set out in the SNR. It is important that financial freedoms are granted to Regions and City Regions so that they can engage the market more effectively in large economic and physical projects, thereby creating better commercial incentives for private sector involvement through the life of the programme. Financial freedoms should include flexibility around regeneration (place), housing and transport funding streams, as well as other funding streams that are being used to deliver our key priorities.

Our proposed MAA does not involve significant additional funding, but is intended to work within the existing funding arrangements and envelopes for the three main capital funding streams relating to regeneration (place), housing and transport. It will operate within the wider investment planning framework, ensuring an effective flow of funding and powers between National, Regional, City Region and Local levels. It will also offer routes to explore innovative and additional financing mechanisms (particularly with the private sector and Central Government).

The investment planning approach ensures there is a strong link from these projects to both the Regional Economic and Spatial Strategies, in addition to the proposed regional growth objective and the Regional Economic Performance PSA7, as well as PSAs 5 and 20 directly, and PSAs 8 and 27 indirectly. In turn, the outcomes from our

MAA can link directly to the DSOs of Communities and Local Government (CLG), the Department for Transport (DfT) and the Department for Business, Enterprise and Regulatory Reform (BERR), as well as the Department for Work and Pensions and the Department for Environment, Food and Rural Affairs.

The Tees Valley sees the MAA as a means of building on the successful partnering arrangements that have developed over time with a view to the future challenges, and within the context of the SNR. Given the work done to date, there is a great opportunity for the City Region, ONE, GONE and Central Government to come together through the MAA to show leadership and maturity in responding positively to the SNR, whilst ensuring the outcomes envisaged are realised.

The key principles underpinning the MAA are as follows:

- The MAA is a mechanism to help to deliver the priorities identified within the Business Case in order to improve economic performance and hence quality of life;
- The MAA is complementary to Local Area Agreements (LAAs), but not in a hierarchical sense – it will draw on local priorities, but not take precedence over them, putting in place the economic infrastructure to enable complementary investments in working neighbourhoods, education and health to happen earlier than would otherwise have been the case;
- The MAA is intended to cover the three main capital funding streams that will support the transformational projects in terms of regeneration (place), housing and transport – these are all acknowledged as vital to economic development and need to be integrated to obtain maximum return on investment; and
- The MAA is intended to be simple and flexible.

The key objective for our MAA has also been agreed is as follows:

“To deliver the agreed investment priorities earlier than would otherwise have been the case, and more cost effectively, through the integration of physical and fiscal resources and a strong and accountable governance structure within a defined performance monitoring framework.”

Our proposals for an MAA involve four elements, namely:

- Priorities;
- Resources;
- Governance; and,
- Performance Monitoring.

Each is considered in turn within the document, and emphasis is placed on our robust, accountable governance arrangements.

Drawing on the City Region Business Case, a series of 'asks' were initially developed under each of the four elements summarised in each of the preceding sections. These were intended to start to form the detail of the MAA.

Through the drafting of this MAA, we have been examining each of these 'asks' in more detail. The most recent work has concentrated on identifying which of the 'asks' are those to be pursued with Central Government, as apposed to those which can be progressed with Regional and City Region Partners.

To this end, there are now five remaining 'asks' which we believe need to be part of this MAA:

- Enhanced delegation to the Region and the City Region, in line with the SNR;
- Certainty of funding over a longer time period (5 or 3 + 2 years), with bi-annual review and renewal, to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
- A duty for national and regional agencies to participate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury Green Book by all funding partners.

These therefore form the basis of the proposed MAA 'offer' in terms of financial arrangements and flexibilities requested.

The added value of our MAA encompasses both and quantitative and qualitative benefits. The quantitative added value comes from a number of sources:

- Outturn cost savings due to an accelerated programme;
- Certainty of delivering key outcomes, particularly increased economic performance (PSA7); and
- Increased private sector leverage.

The qualitative added value comes in four main elements, namely:

- Comfort;
- Certainty;
- Flexibility; and
- Buy in.

We aim to have our MAA operational by the end of June 2008, and our governance arrangements and delivery capacity have been enhanced over the last nine months

in readiness for this. Government has agreed in principle to the five 'asks' and we shall be working with Government to agree the necessary protocols and procedures to implement these 'asks' by the end of September 2008.

1. Introduction

- 1.1. The Tees Valley City Region is based around the five towns of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees. It also includes the Borough of Sedgefield. The sphere of influence of the Tees Valley extends from Peterlee and Durham City in the North to Northallerton in the South and from Richmond in the West to Whitby in the East. The City Region including the area of influence, has a population of 875,000 of which 650,000 live in the five Tees Valley Authorities of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton-on-Tees.
- 1.2. The Tees Valley economy is based on the largest integrated heavy industrial complex in the United Kingdom. The economic performance of the Tees Valley has been generally poor both compared to the UK and international comparisons. In 2003, gross value added (GVA) per head in the Tees Valley was £12,280 compared to the UK figure of £16,845 per head. GDP per head is 88% of the European Union average. In comparison to similar industrial areas in Europe, the City Region performs better than Lille or Lorraine but worse than the Ruhr.
- 1.3. However, there are signs that the economic performance of the City Region is improving:
 - Over the three year period to the end of 2006, 12,800 jobs have been created, primarily in the service industry;
 - Economic activity rates are rising from 73% of people of working age in 1999 to 75% in 2005;
 - Employment rates are rising – the proportion of people of working age in employment rose from 65.3% in 1999 to 71.0% in 2005, whereas nationally the rise was more modest, from 73.8% to 74.6%;
 - Despite 16,500 people claiming unemployment benefit in the City Region, there were still 4,800 vacancies in the area at the end of 2006;
 - The City Region is performing at or above the national average in terms of qualifications except NVQ4;
 - Net migration loss has fallen from 1,500 per annum in the 1990s to zero as a result of more people being attracted to the City Region; and
 - Where major regeneration schemes have taken place, for example, Teesdale in Stockton, Hartlepool Marina and Darlington, the financial and business services sector has grown.
- 1.4. In addition, there has been £1.5 billion of investment in the chemicals and energy sector, with a further £5 billion additional investment in the pipeline, a

new deep sea container port agreed, and expansion of logistics at Durham Tees Valley Airport.

- 1.5. If we are to build on these successes, and accelerate growth, however, we continue to face a number of economic challenges:
- To grow the Tees Valley economy faster than the UK average to narrow the gap in GVA;
 - To continue the rise in employment in the Tees Valley, to encourage manufacturing industry to innovate and improve its productivity and to develop the service sector, particularly financial and business services;
 - To increase the stock of firms in the City Region;
 - To improve household income and develop less dependency on benefits;
 - To continue to increase economic activity and employment rates and reduce worklessness;
 - To both upskill the workforce to obtain NVQ3/4 qualifications and also reduce the people of working age with no qualifications; and
 - To reduce spatial polarisation within the Tees Valley.
- 1.6. Our response to these challenges was set out in the Tees Valley City Region Business Case. The Business Case was presented to Government in October 2006 in response to the second iteration of City Region Development Programmes (CRDPs) for The Northern Way and following the visit by Ruth Kelly, then Secretary of State for the Department for Communities and Local Government (CLG), in May 2006.
- 1.7. The Business Case was not intended to represent a “wish list” of requests from Government, but rather a robust, evidence based appraisal of how we envisage improving the economic performance of the Tees Valley over the next ten years in particular, thus improving the quality of life for our residents, workers and visitors.
- 1.8. It was supported by a detailed appraisal of our economic assets, an Investment Plan, and business cases for improvements in housing market renewal and transport infrastructure. The detailed work that underpinned the Business Case showed the clear linkages and interdependencies between regeneration, housing, transport and economic development, and this is a strong theme in our forward strategy.
- 1.9. The Business Case was prepared with the full co-operation of the five Local Authorities, Durham and North Yorkshire County Councils, Sedgfield Borough Council, Business Link Tees Valley, Tees Valley Learning and Skills Council (LSC), JobCentre Plus (JCP), Tees Valley Regeneration (TVR), Tees

Valley Partnership, One NorthEast (ONE), Government Office North East (GONE) and the North East Chamber of Commerce (NECC).

1.10. The forward strategy contained within the Business Case was centred on two principles:

- Enhancing our existing economic assets; and
- Improving our urban competitiveness through enhancing the quality of place.

1.11. Our economic assets are our world class chemicals industry and research base and its potential for future development both for chemicals and as a national centre for energy development, the development of Teesport as the second largest in the UK, the development of Durham Tees Valley Airport, our potential as a logistics hub, exploiting the research potential of our universities and taking advantage of Defence Estates' proposals to double the size of Catterick Garrison.

1.12. We aim to improve the urban competitiveness and liveability of the Tees Valley through upgrading the business environment, skill base and physical, social and cultural infrastructures, so as to attract and retain high growth, innovative and profitable firms, and an educated, creative, entrepreneurial workforce, thereby enabling them to achieve a high rate of productivity, high employment rate, high wages, high GDP per capita and low levels of income inequality and social exclusion.

1.13. In relation to urban competitiveness, we need to:

- Regenerate the core of our urban areas and develop underutilised vacant and environmentally poor land in central Hartlepool and along both banks of the Tees from Stockton through Middlesbrough to South Bank;
- Provide city scale activities in Stockton and Middlesbrough and improve the quality of life in our main town centres of Darlington, Hartlepool and Redcar;
- Provide a modern competitive transport infrastructure which improves both internal and external connectivity;
- Renew our ageing housing stock which caters for the needs of the early part of the 21st Century rather than the needs of the 20th;
- Develop in the long term a viable private sector commercial property market without the need for public sector support;
- Reduce the social polarisation of the Tees Valley by providing more opportunities for new housing in the centres of our main towns;

- Create an environment which enhances the stock of business and encourages entrepreneurship;
 - Tackle problems of worklessness, lack of skills and social deprivation;
 - Improve the liveability of the Tees Valley by improving our environment, cultural and retail facilities; and
 - Ensure that the towns of County Durham and North Yorkshire can actively benefit from the economic development and regeneration of the Tees Valley.
- 1.14. The Tees Valley City Region Business Case was well received at a Local, sub-Regional, Regional, pan-Regional and National level, and has raised the profile of the City Region as one determined to increase its economic performance, and with a robust plan to ensure that this occurs.
- 1.15. Having presented the Business Case as one that encourages delivery, the Tees Valley Partners have not sat back in the intervening period. Given the desire of the Tees Valley Partners to be at the forefront of the challenge set down by Government for Local Authorities to be “place shapers”, we have pressed ahead, developing our key proposals in more detail, building upon a history of strong partnership working within the City Region over the last decade.
- 1.16. In particular, we have developed what we believe can be included in this Multi-Area Agreement (MAA), which will be one of the first of its kind in the country and could represent a trailblazing form of city regional devolution for polycentric areas outside of the core cities. The MAA is the mechanism by which the place-making elements of the City Region Business Case are implemented.
- 1.17. The proposed MAA includes regeneration, housing and transport, as these are critical to economic development, and one of the strengths of our proposals is the ability of the Tees Valley to join together the currently separate investment streams with confidence that Government Departments will together provide the necessary backing in a timely manner.
- 1.18. We have discussed some of our proposals with a Government Peer Assist Review Panel, convened in February 2007, and taken note of many of the findings included within their report, published in March. This process has been vital in challenging our thinking and provided an opportunity to work closely with Government to develop proposals with mutual benefit.
- 1.19. In November 2007, CLG announced that the Tees Valley City Region was one of 13 (now 14) areas in the country that Government would be working with to develop the first tranche of MAAs, with the signing of the agreement planned for June 2008. We have had a number of discussions with CLG and other Government departments such as the Department for Transport (DfT), as well as representatives of the Local Government Association (LGA) to

refine our proposals and explore possibilities for freedoms and flexibilities within the MAA.

- 1.20. We have also worked with our Regional, City Regional and Local Partners to refine our programme of key priorities, to align funding requirements with all levels of available funding streams, to take forward our exciting proposals for a new governance structure, and to establish a performance monitoring framework, including a series of indicators against which our progress can be measured, based on the most recent guidance.
- 1.21. This document is the outcome of much of this work, and sets out a draft of the MAA that will help deliver our City Region Business Case. As with the Business Case itself, it has been prepared with the full co-operation of the five Local Authorities, GONE and ONE, for discussion with CLG, other Government Departments and key stakeholders.
- 1.22. The MAA will help deliver Government Departments' Public Service Agreement (PSA) targets, as well as Departmental Strategic Objectives (DSOs), together with a major contribution towards Regional Performance Indicators. In short, the MAA will add significant value to the current arrangements.
- 1.23. The MAA is intended to support the Tees Valley City Region, but the MAA proposal is made on behalf of the five Local Authorities of the Tees Valley alone, as many of the key 'asks' within the MAA could not include the whole of the administrative areas of Durham and North Yorkshire, as required by Government. However, our proposed governance arrangements at sub-Board level include both Authorities, and, where appropriate, their lower tier councils, and the benefits of the MAA will be shared across the whole of the City Region.
- 1.24. The document provides a clear statement of the rationale and objective of our MAA, its relationship to the City Region Business Case. It also sets out what we believe to be the added value of an MAA, particularly in relation to PSA targets and DSOs, and our timetable for the agreement and signing of the MAA, and the need for commitment from all parties to work towards further agreement on issues that we feel we will be unable to resolve in line with the timetable outlined above.
- 1.25. This draft is commended to all relevant parties for comment, in order to move forward and agree the scope and contents of the MAA within that timescale.

2. Rationale and Objective

- 2.1. Our proposed MAA is a key tool in the implementation of the Review of Sub National Economic Development and Regeneration (SNR). It is a means by which the commitment to appropriate delegation and support for local delivery, where this is appropriate, can be achieved, at both a National and Regional level.
- 2.2. The MAA helps to put the theory of the SNR into practice by providing a means of working in true partnership with ONE and other Government Departments and Agencies, to agree an overall programme of interventions aimed at enhancing economic performance for the City Region. Delivery at the appropriate spatial level will be achieved through an agreed investment programme, within a wider strategic regional framework, including individual projects to be delivered by Local Authorities, as well as aspects better delivered at a City Region or Regional level.
- 2.3. The MAA seeks to ensure that Government delivers on its commitment to devolve responsibility from Whitehall as set out in the SNR. It is important that financial freedoms are granted to Regions and City Regions so that they can engage the market more effectively in large economic and physical projects, thereby creating better commercial incentives for private sector involvement through the life of the programme. Financial freedoms should include flexibility around regeneration (place), housing and transport funding streams, as well as other funding streams that are being used to deliver our key priorities.
- 2.4. In examining the links between the MAA and both Regional and National policy, the agreement again can be viewed as a mechanism to help implement both at the City Region level. The MAA proposals developed by the Tees Valley concentrate on those projects related to “place shaping”. The accompanying investment plan will be jointly negotiated and delivery mechanisms agreed, drawing on capacity at the Regional, City Regional and Local levels.
- 2.5. Our proposed MAA does not involve significant additional funding, but is intended to work within the existing funding arrangements and envelopes for the three main capital funding streams relating to regeneration (place), housing and transport. It will operate within the wider investment planning framework, ensuring an effective flow of funding and powers between National, Regional, City Region and Local levels. It will also offer routes to explore innovative and additional financing mechanisms (particularly with the private sector and Central Government).
- 2.6. The investment planning approach ensures there is a strong link from these projects to both the Regional Economic and Spatial Strategies, in addition to the proposed regional growth objective and the Regional Economic Performance PSA7, as well as PSAs 5 and 20 directly, and PSAs 8 and 27 indirectly. In turn, the outcomes from our MAA can link directly to the DSOs of CLG, DfT and the Department for Business, Enterprise and Regulatory

Reform (BERR), as well as the Department for Work and Pensions (DWP) and the Department for Environment, Food and Rural Affairs (Defra).

- 2.7. The SNR recognises that there must be delivery capacity and capabilities at the City Region level. The Tees Valley Authorities and the Joint Strategy Unit have all been building up capacity, particularly at a senior level, to respond to this challenge, and negotiations are well advanced with ONE on new ways of working that put the SNR into practice in terms of project appraisal and management. The proposed governance arrangements for the City Region will also provide greater capacity for devolution of planning and delivery of major investment projects.
- 2.8. The MAA is founded on a strong and accountable governance structure that should provide such confidence without requiring primary legislation, nor challenging the legal status of any existing organisation. The investment planning process will allow the appropriate delivery mechanisms to be identified and will provide the assurance that capacity exists to take forward the individual elements of the programme.
- 2.9. The rationale for the MAA has always been clear at a City Region level – it is a mechanism to help deliver the City Region Business Case. This has been agreed through the City Region Executive and Leadership Board, along with other key principles. This means that the MAA needs to evolve as the Business Case is delivered, and should be flexible enough to respond to this.
- 2.10. The MAA seeks to provide a means to deliver an agreed set of City Region priorities quicker and more cost effectively than would otherwise have been the case. It seeks to work within existing structures and responsibilities, maintaining existing lines of accountability, to ensure that programmes and projects are developed and appraised jointly at the right spatial level, with approval for funding sitting with ONE, and will work to overcome existing barriers to effective delivery.
- 2.11. The MAA also seeks to reduce the risk traditionally associated with project delivery that ordinarily results in delays and cost increases, and are aimed at ensuring that Government Departments meet their PSA targets and DSOs, at least in line with the contributions anticipated from the Tees Valley.
- 2.12. The City Region Business Case and the supporting Investment Plan have a planning period of 10 years. The MAA is intended to cover a shorter financial planning period of five years, ensuring that the agreement itself needs to be flexible to adapt to change over that period, and any targets set will be long term, supported by appropriate milestones to demonstrate that progress is being made. For the Tees Valley, this also means that the MAA should provide a mechanism to continue delivery beyond the lifetime of TVR, the existing Urban Regeneration Company.
- 2.13. In short, the Tees Valley sees the MAA as a means of building on the successful partnering arrangements that have developed over time with a view to the future challenges, and within the context of the SNR. Given the

work done to date, there is a great opportunity for the City Region, ONE, GONE and Central Government to come together through the MAA to show leadership and maturity in responding positively to the SNR, whilst ensuring the outcomes envisaged are realised.

2.14. Much of the content of the MAA is also aimed at addressing the economic challenges and the tasks related to improving urban competitiveness that are set out in the preceding section.

2.15. In view of the above, the Partners have agreed a set of principles underpinning the MAA:

- The MAA is a mechanism to help to deliver the priorities identified within the Business Case in order to improve economic performance and hence quality of life;
- The MAA is complementary to Local Area Agreements (LAAs), but not in a hierarchical sense – it will draw on local priorities, but not take precedence over them, putting in place the economic infrastructure to enable complementary investments in working neighbourhoods, education and health to happen earlier than would otherwise have been the case;
- The MAA is intended to cover the three main capital funding streams that will support the transformational projects in terms of regeneration (place), housing and transport – these are all acknowledged as vital to economic development and need to be integrated to obtain maximum return on investment; and
- The MAA is intended to be simple and flexible.

2.16. Again drawing on the foregoing, the key objective for our MAA has also been agreed is as follows:

“To deliver the agreed investment priorities earlier than would otherwise have been the case, and more cost effectively, through the integration of physical and fiscal resources and a strong and accountable governance structure within a defined performance monitoring framework.”

2.17. This means that the intended link between the MAA and the City Region Business Case, and the key principles, are embedded within the key objective – the MAA is about delivering our priorities identified within the Business Case in order to improve economic performance and hence quality of life. Improving economic performance has a direct link to PSA7, as well as the DSOs of CLG, DfT and BERR.

- 2.18. Based on the key objective of the MAA, it is logical that the content of the MAA reflects the mechanism(s) by which this objective is going to be achieved and monitored. We felt that our MAA needs to concentrate on the areas where City Region working can deliver real benefits, but that it also needs to be readily understandable to a range of Partners and be clear about what it is trying to do.
- 2.19. In other words, we needed to answer the simple questions: “what?”, “when?”, “how?” and “why?”. Therefore, our proposals for an MAA involve four elements, namely:
- Priorities;
 - Resources;
 - Governance; and,
 - Performance Monitoring.
- 2.20. The following four sections describe each of the above in more detail.
- 2.21. The diagram at Appendix A illustrates the evolution of the MAA, showing how the starting point was the City Region Business Case, with its supporting Investment Plan, how the latter document has now been developed in more detail for each of the three main capital funding streams proposed within the MAA, and, finally, with the MAA itself acting as the principal delivery mechanism.
- 2.22. It is worthy of note at this stage that the MAA proposed at present does not include skills and employability, even though it is clear that both play a significant role in improving economic performance. The reason behind this approach is explored in more detail in Section 8 of this document, but it is intended that skills be brought into this MAA as proposed, or in an amended form, at the appropriate time.

3. Priorities

- 3.1. In terms of priorities, our City Region Investment Plan, produced as a supporting document to the City Region Business Case, included detailed proposals for the physical and economic regeneration, housing market renewal, transport, skills, cultural and environmental interventions, all of which we feel are best delivered at a City Region level to achieve our economic regeneration objective.
- 3.2. Drawing on the principles set out in the preceding section, our MAA is intended to comprise the three capital funding relating to regeneration (place), housing and transport, at least in the first instance. As mentioned previously, it is not proposed to include skills at this time, although we would wish to make the MAA flexible enough to accommodate skills in the near future.
- 3.3. Since the publication of the Investment Plan in 2006, further work has been undertaken to refine the priorities within each of these funding streams, first on an individual basis.
- 3.4. This has culminated in the production of a Single Programme Delivery Plan, a Housing Market Renewal Business Case and a City Region Transport Strategy, where the key capital projects and programmes are set out up to 2016. Alongside the second of these, a bid has also been prepared to establish the Tees Valley as a housing growth point.
- 3.5. The interventions set out in all of these documents are proposed to form the overall programme within the MAA, and represent the “**what**” and “**when**” elements of the MAA. The documents also set out the key outputs outcomes envisaged through each of these capital programmes, all of which will contribute to the MAA outcomes explored later in this document, and ultimately towards PSA7 (as well as PSAs 5 and 20) and the DSOs of CLG, DfT and BERR.

Single Programme Delivery Plan

- 3.6. In order to take forward our City Region Investment Plan, ONE has been discussing with the Tees Valley Partners the make-up of the Single Programme funding profile for inclusion within the update of its Corporate Plan. ONE challenged Tees Valley Unlimited (our new City Region Metropolitan Economic Partnership) to develop a prioritised forward programme that delivers the City Region Business Case and the Regional Economic Strategy (RES) Action Plan. The first year Single Programme Delivery Plan will be agreed with ONE by the end of September.
- 3.7. The Single Programme Delivery Plan contains the Tees Valley’s response to this challenge, particularly in terms of:
 - The strategic ‘fit’ of our spatial initiatives with ONE’s corporate objectives and priorities;

- The presentation of a programme of interventions within a broadly defined funding envelope;
- The forecasts of some key outputs that will contribute to overall economic regeneration;
- The way that we will manage risks; and
- The relationship of the single programme interventions to other elements of the RES Action Plan and the City Region Business Case.

3.8. The Delivery Plan provides an overview of our three spatial priorities, namely:

- Darlington Gateway;
- Stockton Middlesbrough Initiative; and,
- Coastal Arc.

Each of these is multi-dimensional, comprises housing and transport elements as well as simply placed-based investment, and includes a significant level of private sector contribution.

3.9. The **Darlington Gateway** is a long term vision and strategy for economic growth in the western part of the Tees Valley. The strategy for 2007 - 2020 therefore identifies the need to continue the supply of employment land, whilst acknowledging that it will also need to be widened to ensure that the benefits of the regeneration are sustained and are brought to all. The focus of the next stage of the spatial initiative is on addressing these needs.

3.10. In terms of location, there is to be a particular focus on the area between the town centre and the railway station and the Central Park development, to ensure a strong, cohesive, regenerated town continues to develop, and further feasibility work to determine the scope and content of the next stage is ongoing.

3.11. The **Stockton – Middlesbrough Initiative (SMI)** is a 20 year vision focusing on the urban core of the Tees Valley. The aim is to create vibrant town centres, an active and attractive river corridor and 21st century connections and infrastructure. The focus of the investment is to create the kind of city scale environment and access to facilities found in most urban areas of comparable size, combined with activities to tackle the social and economic aspects of deprivation.

3.12. As well as the town centres, SMI is also aimed at focusing regeneration on the river corridor that links the town centres, dubbed the Green Blue Heart. The overarching concept is to promote connectivity and critical mass between the existing town centres, focusing on the creation of a high-quality, distinctive landscape at the heart of the Tees Valley City Region. Revised masterplanning work is now complete, and sets out a bold vision for a

modern, eco-friendly development and transform local and external perceptions of the area.

- 3.13. The **Coastal Arc** programme represents a comprehensive approach, through a long term holistic strategy for the sustainable regeneration of the coastal communities of Hartlepool with Redcar & Cleveland, to developing and diversifying their local economies. It builds upon a rich mix of investment opportunities, natural assets, historical and cultural resources and popular visitor attractions and destinations existing within these two coastal areas.
- 3.14. Coastal Arc is an economic regeneration initiative, although tourism is a key driver. The programme is essentially about attracting new investment, significantly enhancing the physical environment, securing economic inclusion and making a critical contribution to the regional tourism offer. It also seeks to improve the quality of life in the main town centres of Hartlepool and Redcar.

Housing Market Renewal Business Case/Growth Point Bid

- 3.15. The Housing Market Renewal Business Case 2008 – 11 was submitted to CLG in November 2007, and sets out the continuing need to invest in housing market renewal throughout the City Region to build on the success to date, with the five Local Authorities having purchased more than 2,300 properties for redevelopment since 2003.
- 3.16. The forward programme advocates that redevelopment take place where previous refurbishment options have failed to arrest the neighbourhood decline. The areas in which HMR activity will be concentrated include:
- North Central Hartlepool;
 - Gresham, Middlesbrough;
 - South Bank Renewal Area; and
 - Parkfield, Stockton.
- 3.17. In February 2008, CLG announced that the City Region is to receive £35 million in HMR funding up to 2011, in addition to £15.4 million of SHIP funding already secured from the Regional Housing Board. Up to £65 million of public sector funding will also be invested in HMR sites over the next three years, generating a further £214 million of investment from the private sector. It should be noted that CLG have confirmed 100% of the 2008/9 allocation, 90% of the 2009/10 allocation and 2010/11 allocation with 10% remaining flexible for the new Homes and Communities Agency to consider.
- 3.18. In October 2007, the Tees Valley submitted a bid to become a Housing Growth Point, based around developing infrastructure earlier to promote development on already identified sites.

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- 3.19. The bid includes 29 sites across the City Region each with a capacity for over 100 units, will supplement the HMR proposals and allow the Tees valley to escape from the narrow confines of the existing housing market to further support the economic regeneration of the City Region. The sites have been categorised A, B and C according to their strategic importance. Categories B and C will not be released for development until significant progress has been made on Category A sites.
- 3.20. The Housing Growth Point proposals will complement existing Housing Market Renewal interventions to tackle the concentration of deprivation as well as providing a better offer to attract and retain the economically active. It will enable the Tees Valley to accelerate the regeneration of its older housing areas. Local authorities will through their regeneration activities and other mainstream programmes encourage wider investment in the urban centres, public realm, transport and community facilities such as schools. The majority of our new housing development (over 80%) will be on brownfield land.
- 3.21. The Growth Bid will also look to developing low carbon homes. The major energy developments provide heat and steam which could be used for district heating systems. Through Renew Tees Valley we intend to use this expertise in developing a renewable economy to help us develop low carbon homes through combined heat and power and an energy supply company.
- 3.22. The Housing Growth Point Bid provides for a 20% uplift on net housing development from 2200 dwellings per annum in the RSS to 2600 net dwellings per annum. 20% of these additional dwellings will be affordable housing. Affordability varies across the Tees Valley, with the most attainable property for first time buyers being located in the South Bank area of Redcar & Cleveland and the least attainable lower quartile Borough average house prices in Darlington. The HMR strategy seeks a standard of 80/20 ratio of owner occupied property to rented in new development. Borough Core Strategies and LDFs will establish each Council's position on affordability.
- 3.23. The successful Round 2 Growth Point bids will be announced before the Parliamentary recess at the end of July 2008. Successful bidders will be invited to prepare a detailed delivery plan for approval by CLG. They will also be invited to bid for funding from the Community Infrastructure Fund for 2008-11. The Tees Valley strategy for Housing Market Renewal is entirely compatible with the idea of housing growth, as it is being presented as an accelerated development programme. Increased investment in infrastructure will allow identified priority development sites to be brought forward in the programme. More consideration of the mix of new development will enable the future housing provision to more closely respond to the generation of future housing demand in relation to the economic future of Tees Valley.
- 3.24. Planning Policy Statement 3 (PPS3) requires local planning authorities to identify and maintain a rolling five year housing land supply. The current five year supply covers the period 1 April 2007 to 31 March 2012. Net housing requirement for the Tees Valley and its local authorities is set out in the draft Regional Spatial Strategy (RSS). Potential housing sites are normally
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assessed against criteria in PPS3 and DCLG advice i.e. the site is now available, the site offers a suitable location for development, and there is a reasonable prospect that housing will be delivered within five years.

- 3.25. All Tees Valley local authorities have identified a five year housing supply. In the Tees Valley overall the RSS requirement is in the order of 15,000 net dwellings and the potential supply is about 20,600 dwellings. In Appendix G Technical note 7 on performance management illustrates the housing targets both with and without the MAA.

City Region Transport Strategy

- 3.26. The City Region has worked together to develop a coherent transport strategy, titled “Connecting the Tees Valley”, which responds directly to the challenges of the Eddington Review, and is consistent with the proposals outlined within the draft Local Transport Bill. It aims to support the economic regeneration of the City Region by providing a multi—modal integrated transport system that is “fit for purpose”.
- 3.27. The **Tees Valley Bus Network Improvements** is a major local transport scheme that will not only provide longer term stability within the bus network, but will offer a step change in public transport provision to the passenger in terms of frequency, reliability, quality and convenience, with a co-ordinated approach to public transport provision.
- 3.28. The total value of investment in the network is some £60 million up to 2012, shared between the Local Authorities, the Government and the bus operators, with the aim of reversing the decline in bus patronage and creating growth of up to 10% by 2016. The project will most likely be delivered through a Statutory Quality Partnership, which will be the first multi-Authority, multi-operator partnership within the UK, of which the Board will be a co-signatory.
- 3.29. Proposals have been developed by TVR for a high quality, fast and reliable City Region **rail-based solution** to assist regeneration and help to avoid the transport problems that would otherwise arise as economic activity gathers pace. The preferred option is an innovative mechanism that makes best use of the existing rail infrastructure to provide an increased frequency of service throughout the working day, new tram-train rolling stock with higher levels of passenger quality and comfort, and a number of new stations along the route, serving key employment sites, major regeneration areas and the main hospitals.
- 3.30. A detailed examination of engineering feasibility is being undertaken in partnership with Network Rail to review the current cost estimate of £140 million and determine the value of planned renewals that can be diverted to part-fund the project. Work is also being undertaken in conjunction with the DfT to explore the implications for future subsidies and what this may entail for future franchise arrangements.

- 3.31. The Tees Valley Authorities are working with the Highways Agency in an innovative way to overcome potential delays in bringing forward development sites by developing an **Area Action Plan** that will set out the agreed long term requirements for the highway network to support the levels of development envisaged. The methodology being used takes an innovative approach to demand management by starting from the principle that the transport network in the Tees Valley is a valuable commodity whereby capacity is allocated on the basis of need and availability of alternatives as well as fiscal measures.
- 3.32. In this way, the Tees Valley will take a pro-active role in the ongoing debate on demand management whilst developing proposals sympathetic to the nature of the network and the wider local, regional and central Government aspirations. The work is likely to develop a programme of improvements totalling some £100 million up to 2026, with early interventions considering ramp metering, high occupancy vehicle (HOV) lanes and active traffic management (ATM).
- 3.33. In all of these priorities, the City Region has been working with private sector bus operators and the Highways Agency and Network Rail to work together to ensure that each parties' investment can be discharged more effectively and accountably for a common purpose.
- 3.34. This adds value to the complementary investment in regeneration and housing and is key to improving the competitive advantage of the Tees Valley as a location for economic activity and building confidence in HMR and growth areas. The Tees Valley Metro proposals, for example, are vital to this.
- 3.35. Finally, building on the encouraging results from the Sustainable Towns Demonstration project in Darlington, the Board is currently considering how Partners can take forward the '**Smarter Choices**' agenda at a City Region level. Darlington has found a reduction of up to 9% in peak hour traffic flows within the city centre, with significant environmental benefits. In line with this, is the development of an **Intelligent Transport Systems** strategy, linked to a wider project to provide high quality broadband connections for businesses, in partnership with ONE.

4. Resources

- 4.1. Delivery of our investment priorities will be related to the availability and flexibility of resources, both physical and fiscal. It will be important within the forward programme to understand what freedoms and flexibilities will be provided under the MAA to allow us to maintain overall delivery through effective programme management.
- 4.2. Through the more detailed production of the three documents listed previously, we have been able to develop a funding plan for the three capital funding streams, based on the programme envisaged and the likely funding envelopes. This is summarised at Appendix B and will represent part of the “**how**” element of the MAA.
- 4.3. The funding plan will depend on approval of the Single Programme Delivery Plan for the regeneration funding stream, the Housing Growth Point Delivery Plan and the approval of business cases for the transport schemes. Once approval of the Single Programme Delivery Plan and the Housing Growth Delivery Plan have been prepared by the end of the year, we will produce a more detailed funding plan showing how the capital funding in the MAA will generate other public sector funding and private sector funding.
- 4.4. This funding plan will be kept under review throughout the period for which the MAA is operational, and changes will be reported through the City Region governance structures described in the following section in addition to individual funding partners.

5. Governance

- 5.1. Our governance proposals adopt an evolutionary, rather than revolutionary, approach to City Region working, whilst providing clear accountability and a true partnership between the public and private sectors. Such a strong and accountable structure is necessary to ensure delivery and is a pre-requisite of additional devolution to the City Region.
- 5.2. The Business Case set out our outline proposals for a new Metropolitan Economic Partnership to reflect our City Region needs and deliver the priority projects. This organisation has been called Tees Valley Unlimited, which is a partnership co-ordinating activities across the Tees Valley appropriate to a level concerned with improving the economic performance of the City Region, but with a strong role in driving forward the Business Case and the projects within it.
- 5.3. Tees Valley Unlimited will manage a wider range of programmes and investments than the current sub-regional partnership arrangements. The new arrangements also create strategic capacity to influence Regional and National policy, as well as building local capacity for scheme delivery.
- 5.4. Tees Valley Unlimited consists of a number of elements as follows:
- Leadership Board;
 - Executive;
 - Five sub-Boards to cover the range of City Region working – planning and economic strategy, transport, employment and skills, housing and tourism;
 - City Region Policy Forum; and
 - Private Sector Business Group.

A diagrammatic representation of the hierarchy and structure is included in the diagram at Appendix C, and represents the other part of the “**how**” element of the MAA.

- 5.5. The Leadership Board will monitor delivery of the MAA, the City Region Business Case and the supporting delivery plans, agree changes to the programme and funding, and review City Region strategies. It will ensure that these strategies are reflected in Regional, pan-Regional and National policies. This board comprises of the Tees Valley Local Authority Leaders and Mayors with representatives from the private sector, with a private sector chair, currently Hugh Lang, Managing Director of Durham Tees Valley Airport.
- 5.6. The Executive will ensure delivery of the MAA, the Business Case and the projects within each, reporting the progress of the programme to the Leadership Board. It will also recommend changes to the programme and

funding to the Leadership Board. The membership will be the Tees Valley Local Authority Chief Executives and other key Chief Executives from City Region public sector bodies and the private sector. There are also observers from Regional and National organisations.

- 5.7. Each of the sub-Boards will co-ordinate the delivery of their elements of the Business Case, in particular the key interventions. Sub-Boards generally comprise Officers and Cabinet Members from the Tees Valley Authorities that have responsibility for relevant discipline, with representatives from trade organisations, City Region, Regional, and National bodies, and North Yorkshire and Durham County Councils, all involved in the delivery of the priorities.
- 5.8. The City Region Policy Forum comprises Officers from the Tees Valley City Region and the Durham and North Yorkshire Authorities. The forum will aid sharing of information for strategy development, producing policy that takes into account the inter-linkages between the Tees Valley's economic performance and that of County Durham and North Yorkshire.
- 5.9. As highlighted previously, the intended 'asks' and current administrative arrangements do not allow either authority to be party to the freedoms and flexibilities intended, so these arrangements, together with their participation on each of the sub-Boards, is seen as the most effective way to ensure good linkages and that the benefits of investment within the Tees Valley can be felt across the City Region.
- 5.10. The Private Sector Business Group provides direct engagement between the Leadership Board, Executive and the private sector. It will act as a two-way discussion group where the private sector can input into the actions of the City Region, and the City Region can consult on decisions with the private sector.
- 5.11. Each Local Authority will still maintain existing powers and voting rights, although the representation of Leaders, Mayors, Chief Executives and Lead Members at all levels should provide a high level of support that can be used for decision making at individual Authority level.
- 5.12. The legal agreement for setting up Tees Valley Unlimited is included at Appendix D. The new governance structure has been operating in shadow form since May 2007, and will be formalised along with the signing of the MAA in June 2008.
- 5.13. Tees Valley Unlimited is not a legal entity. It has been agreed therefore that Stockton-on-Tees Borough Council will be the accountable body for the employment of staff of the Tees Valley JSU and for managing the finances of the MAA.
- 5.14. For the past seven years, the Council has performed this function for the management of the £24 million Tees Valley Partnership annual programme "delegated" from ONE. Appendix D also contains an example of a legal

agreement between the Council and the other four other Authorities that spreads the accountability of the programme across the Tees Valley.

- 5.15. Pursuing this arrangement that has already been established and worked so well in the past should provide greater comfort in the proposed governance arrangements, with robust accountability procedures based on firm foundations.

6. Performance Monitoring

- 6.1. The detailed economic analysis presented as part of the Business Case identifies a series of key economic challenges which all of our proposals are designed to address. Therefore, we already feel we have a robust evidence base from which to develop a series of indicators and targets as part of a performance monitoring framework.
- 6.2. This approach is re-iterated within the LAA/MAA operational guidance, which suggests that MAA indicators may not necessarily be drawn from the National Indicator Framework, and may indeed be more related to PSA indicators as set out in the 2007 Comprehensive Spending Review.
- 6.3. Within this wider context, the City Region felt that it would be preferable to link our suggested MAA indicators in the first instance to the main economic challenges within the City Region Business Case. This will represent the “**why**” element of the MAA, and be the means by which delivery is measured, drawing on local priorities and feeding in directly to national priorities.
- 6.4. Hence our suggested indicators are as follows:
- M1 – Gross Value Added per Head;
 - M2 – New business registration rate;
 - M3 – People of Out of Work Benefits;
 - M4 – Overall Employment Rate;
 - M5 – Reliability of City Region Road Network;
 - M6 – Net Additional Homes Provided; and
 - M7 – Per Capita CO₂ Emissions from Industrial Premises.
- 6.5. At present, the suggested MAA indicators do not include any relating to skills, as this is not yet included within the proposed MAA. Additionally, whilst people on out of work benefits and new business registration rate have been included as indicators they are included as indicators linked to employment and the overall ambition to improve the quality of life for local people. However, there are not any direct interventions within the MAA related to tackling the issues of people on out of work benefits or supporting enterprise. The capital interventions within the MAA will however have an indirect impact on these indicators by creating the environment where businesses will establish and grow and there will be employment opportunities resulting from the interventions that local people including those currently on out of work benefits can access.
- 6.6. In setting targets we have therefore taken into consideration the interventions that are currently within the MAA. Targets relating to enterprise and people

on out of work benefits would be higher if direct interventions were also included and we would expect to increase the targets and include skills indicators if and when the appropriate funding streams were included within the MAA at a later date.

- 6.7. It is also important to recognise how these MAA indicators relate to the LAA indicators for each of the Tees Valley Authorities, as well as the Regional Performance Indicators and PSAs. This is shown in the first table at Appendix E.
- 6.8. Appendix E also includes an illustration of the relationship between LAA and MAA indicators in terms of a Venn diagram, showing that this relationship is a complementary one, rather than hierarchical.
- 6.9. As mentioned previously, there are also links from each of the MAA indicators to the DSOs agreed by CLG, DfT and BERR (as well as DWP and Defra), in addition to a number of DSOs agreed by these Departments. The final diagram at Appendix E shows the linkages between PSAs, DSOs, the proposed MAA indicators, and also Regional Performance Indicators and the National Indicators.
- 6.10. As well as these headline indicators, there is also merit in tracking two other types of indicator, namely:
- **Contributory Indicators** – for monitoring the work of the five sub-Boards and providing their targets – these indicators should represent changes that will influence and contribute to one or more of the economic challenges represented by the MAA Indicators; and
 - **Contextualising Indicators** – covering the general background trends in the Tees Valley.

Both of these sets of indicators will likely have close links to those within the National Indicator set that will be tracked by the Tees Valley Authorities.

- 6.11 The proposed MAA indicators and targets are set out in the table at the end of this section. A fuller description and rationale for each of the indicators and targets is detailed in the technical note at Appendix G. They cover all of the suggested indicators detailed in 6.4. Given the nature of the MAA, they focus on the longer term impact envisaged for Tees Valley Unlimited's work. Thus, in addition to the targets for the next three years, complementing the Local Authorities' LAAs, there are five and ten year targets.
- 6.12 In several cases, the investment made through Tees Valley Unlimited will not have an immediate, direct impact on the suggested indicators and thus not directly contribute to achieving the targets. Tees Valley Unlimited's role is centred on co-ordination and influence, and aimed at accelerating growth in the sub-region's economy.

- 6.13 For each of the MAA indicators, a 'causal chain' has been developed to identify the links between the interventions, their outputs, the associated outcomes and the ultimate impact. As many as possible of these elements will be monitored so that the connection is identified and made between each intervention and its impact. The causal chains are available separately.
- 6.14 Progress on each of MAA indicators and the associated causal chains will be reported through the new governance structure described in the previous section, to individual funding partners, and in an annual 'State of the Tees Valley' report. Targets have been set through discussion with partners locally, Government Office North East and One NorthEast.
- 6.15 The process being developed for managing performance will include monitoring those indicators, and reconsidering and adjusting Tees Valley Unlimited's actions on a quarterly basis with an Annual Refresh on a similar basis to LAAs.

TEES VALLEY MAA INDICATORS AND TARGETS

INDICATOR	DEFINITION	DATA SOURCE	TARGET OBJECTIVE	BASELINE (2007/8)	YEAR 1 (2008/9)	YEAR 2 (2009/10)	YEAR 3 (2010/11)	YEAR 5 (2012/13)	YEAR 10 (2017/18)
M1 (Linked to RPI – Productivity, SNR and HMRC - DSO)	GVA (gross value added per capita) – measure of the total value of the economy	ONS	Narrow the gap between the economic performance of the Tees Valley and the UK average	78 <i>Index: UK=100 (2005 based. Available in Dec 2008)</i>	79 <i>(2006 based. Available in Dec 2009)</i>	79 <i>(2007 based. Available in Dec 2010)</i>	80 <i>(2008 based. Available in Dec 2011)</i>	81 <i>(2010 based. Available in Dec 2013)</i>	84 <i>(2015 based. Available in Dec 2018)</i>
M2 (NI 171) (Also linked to RPI – Enterprise)	New Business Registration Rate – the number of new VAT business registrations per 10,000 adult population	SBS/ONS	Narrow the gap between the Tees Valley and the Regional average	<i>(2007 based – based on new methodology. Available in Oct 2008)</i>	<i>A placeholder has been set up for this indicator since relevant data will not be available until Oct 2008. Targets will not be set until the data is available in the required format</i>				
M3 (NI 152)	Working Age People on Out of Work Benefits – proportion of working age population on benefits	NOMIS (Work and Pensions Longitudinal Survey - WPLS)	Narrow the gap between the percentage of people on out of work benefits in the Tees Valley compared to the national rate	5.2% Higher <i>(2006/7 based. Available Jul 2007)</i>	5.0% Higher <i>(2007/8 based Available Jul 2008)</i>	4.8% Higher <i>(2008/9 based. Available Jul 2009)</i>	4.5% Higher <i>(2009/10 based. Available Jul 2010)</i>	4.1% Higher <i>(2011/12 based. Available Jul 2012)</i>	2.8% Higher <i>(2017/18 based. Available Jul 2018)</i>
M4 (NI 151)	Overall Employment Rate – proportion of working age population in employment	Annual LFS and APS	Narrow the gap between the percentage of people in employment in the Tees Valley compared to the national rate	3.2% Below <i>(2006/7 based. Available in Nov 2007)</i>	3.2% Below <i>(2007/8 based. Available in Nov 2008)</i>	3.2% Below <i>(2008/9 based. Available in Nov 2009)</i>	3.1% Below <i>(2009/10 based. Available in Nov 2010)</i>	2.7% Below <i>(2011/12 based. Available in Nov 2012)</i>	1.0% Below <i>(2017/18 based. Available in Nov 2018)</i>
M5 (Linked to PSA 5 and to RPI – Sustainable Development)	Reliability of City Region Road Network – on the strategic road network	Based on journey time surveys performed locally	Demonstrate that the planned transport interventions maintain a reliable network that can be used to market the City Region to businesses, in line with the regeneration strategy	<i>Undertaken in Sept/Oct 2008 and Mar/May 2009; repeated annually</i>					

M6 (NI 154)	Net Additional Homes Provided – overall increase in dwelling stock	Housing Flows Reconciliation return	Increase the net additional homes, based on the RSS figures, plus the 20% enhancement offered by the Growth Point Bid (cumulative figures over 10 years are in brackets)	1,900 (0) <i>(2006/7 based. Available Jan 2008)</i>	1,500 (1,500) <i>(2007/8 Available Jan 2009)</i>	2,000 (3,500) <i>(2008/9 based Available Jan 2010)</i>	2,500 (6,000) <i>(2009/10 based Available Jan 2011)</i>	2,750 /pa (11,500) <i>(2011/12 based Available Jan 2013)</i>	2740 /pa (25,200) <i>(2016/17 based Available Jan 2018)</i>
M7 (Linked to NI186 and to RPI – Sustainable Development)	CO₂ Emissions from Industrial Premises – measure the resource efficiency of the industrial sector	TBC	A measure of CO ₂ emissions efficiency per 'unit of production' (e.g: per tonne of steel) will be designed. Aim: reduce the rate of emissions per unit of production	TBC					

7. The Agreement

7.1. Drawing on the City Region Business Case, a series of 'asks' were initially developed under each of the four elements summarised in each of the preceding sections. These were intended to start to form the detail of the MAA.

7.2. For Priorities and Resources, the 'asks' were:

- Agreement to broad programme of strategic investment priorities at an early stage, yet to be fully appraised;
- Investment Priorities to be taken directly from City Region Investment Plan (and subsequent documents);
- Certainty of funding over a defined time period (5 or 3 + 2 years), with bi-annual review and renewal;
- Appraisal of project of value less than £5 million to rest with Tees Valley Unlimited;
- Ability to vire resources across different disciplines (and funding streams); and
- Ability to re-profile the sequencing of individual projects, up to 25% of project value or total in any given year.

7.3. For Governance and Performance Monitoring, the 'asks' were:

- Support for flexible governance arrangements suggested;
- Duty for national and regional agencies to participate;
- Tees Valley Unlimited to become a statutory consultee in addition to Local Authorities;
- 'Buy in' across all Government departments;
- Common appraisal system based on Treasury Green Book; and
- Streamlined approach to performance monitoring.

7.4. Through the drafting of this MAA, we have been examining each of these 'asks' in more detail. The most recent work has concentrated on identifying which of the 'asks' are those to be pursued with Central Government, as apposed to those which can be progressed with Regional and City Region Partners.

- 7.5. The table included at Appendix F sets out the 'asks', the rationale behind them, and how recent progress has helped to clarify how the 'asks' can be progressed and/or achieved.
- 7.6. When considered in more detail, many of these can be agreed or delivered without a new MAA – in fact, around 60% of the 'asks' do not actually involve a new form of agreement with Central Government, and, in many cases, significant progress has already been made in securing any necessary concessions.
- 7.7. This just leaves five 'asks' that have been progressed as far as possible with Partners, and hence we believe require a new agreement with Government:
- Enhanced delegation to the Region and the City Region, in line with the SNR;
 - Certainty of funding over a longer time period (5 or 3 + 2 years), with bi-annual review and renewal, to reflect the bias towards large scale transformational capital projects within our proposed MAA;
 - Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
 - A duty for national and regional agencies to participate with the MAA; and
 - Development and use of a common appraisal system, based on the HM Treasury Green Book by all funding partners.

These therefore form the basis of the proposed MAA 'offer' in terms of financial arrangements and flexibilities requested.

- 7.8. The City Region has undertaken further work on each of these 'asks', in addition to a more detailed examination of the process of delegation, and the outputs from this work, designed to support the 'asks', are included in a series of Technical Notes, included here at Appendix G.
- 7.9. The Partners have also been considering the issue of risk and risk management in relation to the proposed MAA, and proposals to address risk have been developed in parallel to this draft MAA.
- 7.10. The Government has agreed in principle to the five 'asks' set out in paragraph 7.7. We have agreed with ONE a new delegation process under the existing legislation but in the long term delegation will depend on amendment to the RDA Act or the raising of delegation limits from BERR to the Region. With regard to the other four 'asks' we expect Government to agree the necessary protocols and mechanisms to implement these procedures by the end of September 2008.

Tees Valley Unlimited will ...

... deliver a broad programme of strategic investment priorities;

... manage the programme against the confirmed and anticipated funding envelopes; and

... deliver the outcomes set out across the City Region.

In return, the Government will ...

... provide certainty of funding for the main capital funding streams over 5 year period, with bi-annual review and renewal;

... allow the City Region to vire resources across different disciplines (and funding streams);

... allow the City Region to re-profile the sequencing of individual projects, up to 25% of project value or total in any given year;

... implement a duty for national and regional agencies to participate with the agreement; and

... commit to use a common appraisal system for all projects included within the component capital projects.

8. Future Flexibility

- 8.1 The last of the four key principles of our MAA set out in Section 2 was that the agreement should be simple and flexible. The relatively short nature of this document tries to ensure that the first is satisfied, and the framework and structure of the proposed MAA tries to ensure the second is also achieved.
- 8.2 The MAA at this time is focused around three main capital funding streams, and the projects that these will be utilised to deliver. That is not to say, however, that over the course of the agreement, the City Region would not wish to bring in additional activity and the associated funding streams, at the appropriate time, and provided that funding complexities, particularly relating to capital and revenue funding, can be addressed.
- 8.3 Examples of future activity that could be included in the MAA are:
- Skills;
 - Employability; and
 - Culture.
- 8.4 The Tees Valley Authorities recognise that skills and employability are key drivers in improving our economic performance, but, as identified by the Government Peer Assist Review Panel, the City Region did not have an overall strategy for skills and employability, as existed for regeneration, housing or transport. It is therefore considered premature for these to be included in the MAA at this stage.
- 8.5 Work is ongoing to develop strategies for tackling high level skills and employability issues, and the Employment and Skills sub-Board has been charged with agreeing these strategies by the end of 2008. At this time, we will actively investigate the means by which skills and employability can be incorporated into the MAA, with the intention of to develop a revenue-based MAA proposal for submission in 2009.
- 8.6 The best approach to this will be discussed in detail with Learning and Skills Council, Jobcentre Plus, Further and Higher Education sectors and other key partners involved in the planning and delivery of skills and employment services in the City Region.
- 8.7 The inclusion of skills and employment in the MAA will need to recognise the changes that are proposed to take place as a result of the “Machinery of Government” proposals, specifically the transfer of responsibilities for training young people to the local authorities and the creation of the new Skills Funding Agency, including the national Apprenticeship Service, National Employer Service and Adult Advancement and Careers Service. Furthermore, any aspects of the MAA relating to adult skills needs to take account the shift in public policy towards “demand led” principles espoused in

the Leitch reort – with the vast majority of public funding for adult skills to be channelled via Train to Gain and Skills Accounts by 2010.

- 8.8 Similarly, work to develop a City Region Culture Strategy is also ongoing, with completion expected in early 2009. Again, at this point, the City Region will decide whether it is appropriate to include this within any future iteration of the MAA.
- 8.9 Where the City Region requests that the MAA be expanded to bring in any of these funding streams, or others, it will assess the means by which the core agreement set out in the preceding section can be applied to the particular funding stream.
- 8.10 Should this be suitable, and agreement to expand the MAA be reached with the relevant Government Department and other partners, the Funding Plan, Governance Structure and Performance Monitoring Framework presented in this document will also be reviewed and revised as necessary, and updated versions prepared to accompany the revised MAA.
- 8.11 However, it should be noted that the proposed governance arrangements already include sub-Boards covering the possible areas of expansion, both of which are responsible for the development of the City Region strategies outlined above.
- 8.12 Significant discussions were also held between the City Region Partners on the inclusion of climate change issues within the MAA, particularly as the Tees Valley has an agreed Climate Change Strategy. However, as many of the actions to deliver this strategy are either part of the capital projects already included within this MAA, or are being taken forward by the Local Authorities themselves, it was agreed that the inclusion of indicator M7 would demonstrate the important links between climate change and economic performance, and allow us to ensure that the latter was not being achieved at the detriment of the former. The diagram at Appendix E also shows how Defra PSAs 27 and 28 and one of its DSOs link to the areas of regeneration, housing and transport that are included within the MAA.

9. Added Value

- 9.1. Much of the background work to our MAA has been done through our City Region Business Case and through existing partnerships within the Tees Valley. We are committed to delivering our Business Case, managing the programme within individual funding streams as best we are able, and leveraging in as much private sector investment as possible.
- 9.2. Our new governance arrangements have been set up in shadow form and will be fully operational in June 2008, and we will track key indicators for an annual "State of the Tees Valley" report and specific targets based on the key interventions. So, if we are doing all of that, what is the added value of an MAA? This encompasses both and quantitative and qualitative benefits.

Quantitative Added Value

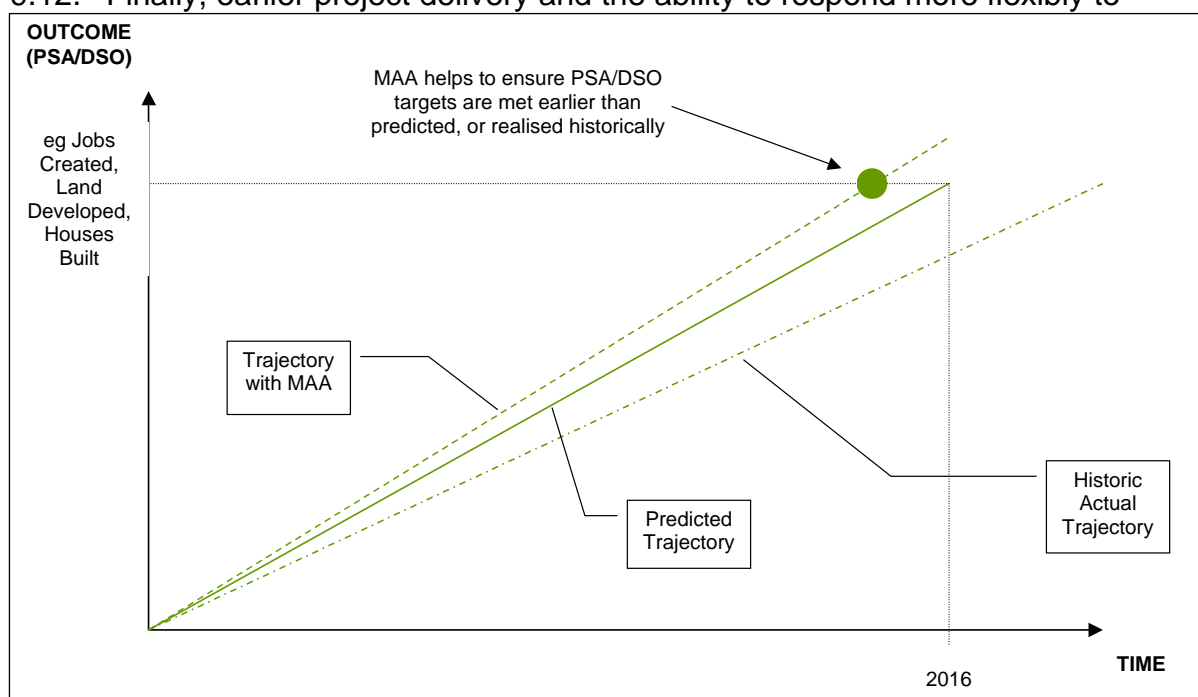
- 9.3. The **quantitative** added value comes from a number of sources:
- Outturn cost savings due to an accelerated programme;
 - Certainty of delivering key outcomes, particularly increased economic performance (PSA7); and
 - Increased private sector leverage.
- 9.4. Enhancing the delivery timescale to deliver projects more quickly will ordinarily result in cost savings as a result of **reduced outturn costs**. Given that our proposed MAA covers significant capital projects, this saving will actually be quite significant as construction inflation is currently running at around 6% per annum.
- 9.5. Based on a robust assumption of being able to reduce the time taken for approving projects within the programme by between three and six months, the total forecast saving in terms of outturn costs of some 5% of the total anticipated cost of the programme over its lifetime.
- 9.6. We will identify more exact figures on agreement of the Single Programme and Housing Growth Delivery Plans.
- 9.7. More efficient delivery of the capital projects within the programme will result in more certain delivery of the project outputs and outcomes and, ultimately, the main project impacts relating to **increased economic performance**.
- 9.8. The performance monitoring regime set out in Section 6 described in some detail the key MAA indicators, and the development of a trajectory for each of the proposed MAA targets, based on an anticipated rate of project delivery.
- 9.9. Our proposed MAA is intended to result in this assumed trajectory being altered to increase the rate of achieving the key outcomes, with the consequent increased certainty of achieving increased economic performance

earlier than initially forecast. This means that departments such as CLG, DfT and BERR should have less risk in achieving their agreed PSAs and DSOs.

9.10. Moreover, the MAA is designed to address some of the historic difficulties encountered in the delivery of similar projects to ensure that, not only are outcomes realised sooner than anticipated, but, more importantly, outcomes are not delayed and/or reduced, which would be a major concern to Government Departments.

9.11. This benefit is illustrated in the diagram below, and can be applied to the key outcomes of the projects included within the MAA. The targets that have been developed illustrate how the approach below has been applied. The technical note on performance monitoring at Appendix G illustrates the projected outcomes without the MAA and with the MAA.

9.12. Finally, earlier project delivery and the ability to respond more flexibly to



changing circumstances should also bring in greater private sector leverage, particularly later in the programme.

9.13. The projects included within our MAA are intended to bring in some £360m of private sector investment to the Tees Valley. This could be significantly increased as a result of the proposed agreement. This would be achieved through having delivered the current programme of activity sooner than planned through the improved efficiencies of the MAA additional activity could then be developed and brought forward.

9.14. It is also hoped that the greater efficiency of the delivery programme will provide cost savings against the anticipated funding envelopes included in Appendix B. In this case, we would also propose a “profit sharing” arrangement with Government Departments and funding partners as the MAA develops and the projects are implemented.

- 9.15. Under normal circumstances, payment for larger scale infrastructure and regeneration would be made in arrears up to the agreed limit. We would anticipate this continuing through the MAA process. However, where efficiencies in delivery mean that the actual expenditure falls below the budgeted expenditure, we would hope that the Tees Valley would be able to benefit directly from these savings, as well as funding partners.
- 9.16. Based on successful previous construction contracts let by Stockton-on-Tees Borough Council, where incentives have been used to achieve better value for money on fixed price contracts, we propose the following arrangements:
- For actual costs of between 0 and 10% less than the budgeted cost, a split of 50% of the saving between the Tees Valley and the funding partner(s); and
 - For actual costs in excess of 10% less than the budgeted cost, a split of the saving of 25% to the Tees Valley and 75% to the funding partner(s).
- 9.17. This formula has been shown to produce greater cost certainty and enhanced delivery in large scale construction contracts of the type that would be required to implement our forward programme, and we believe emphasises the enhanced trust and co-operation between all parties that the MAA is intended to engender.

Qualitative Added Value

- 9.18. We believe that the qualitative added value comes in four main elements, namely:
- Comfort;
 - Certainty;
 - Flexibility; and
 - Buy in.
- 9.19. In terms of **comfort**, enshrining our Business Case and supporting investment documents and governance proposals within the MAA provide a sign off from Government that the projects that we are pursuing are appropriate (although still subject to appraisal) in terms of achieving our economic regeneration aspirations, and that our governance proposals are sensible and workable.
- 9.20. This is crucial to being able to ‘sell’ the proposals, to the public, to Members and to Partners. In particular, an endorsement from Government will head off the potential criticism that “this is just a wish list” or “this is just another talking shop” – such criticisms have been levelled at similar partnerships in the past, and it is vital that a similar mistake is not made to get real benefits.

- 9.21. For Government, it should give the comfort that, in the first instance, we have taken some hard decisions in the Tees Valley to prioritise our key interventions, and that we have agreed on a set of priorities that deliver genuine outcomes within the funding envelope anticipated.
- 9.22. It should also provide comfort to the Government that there is a governance structure in place that is accountable, can take the hard decisions that will inevitably be required over time, and is one that complements existing Local Government arrangements, particularly as we already have two directly elected Mayors within the City Region.
- 9.23. In terms of **certainty** and **flexibility**, Technical Notes 2 and 3 at Appendix G describe the benefits of these in more detail, but both will allow the overall programme to be delivered in a way that best suits the large scale, mixed use capital interventions that we envisage. The benefit to Government overall is in better programme management.
- 9.24. Finally, the MAA provides a **buy in** from all parties – a document that has a protocol, and is signed, committing parties to delivering real benefits for communities, something that the LAAs have been successful at. Again, we believe that the biggest benefit to us of this will be the ability to demonstrate to all parties that we are on the right track, and that all Government departments are supporting and trusting us to deliver real improvements.
- 9.25. The other important benefit of the MAA is that we do not believe that this is about additional resources, or reward funding. We have already prioritised our Investment Plan against expected funding, and have a mechanism within the governance structure proposed to make the hard decisions should funding be reduced. We will not change our investment priorities – they will just take longer to deliver.
- 9.26. To this end, we also see that reward funding would be of little value, as the successor documents to our Investment Plan represent our full programme for the next 10 years, and there may be an issue of capacity to deliver projects outside those planned. However, where we do see rewards and incentives playing a key role is where we make efficiency savings within the delivery process.
- 9.27. We propose a pain/gain share arrangement with Government. If projects increase in cost, we would be expected to fund the additional expenditure, or adjust the programme accordingly. However, if we were to lever in more private sector funding as anticipated, or we were to work more efficiently with partners through scheme delivery, we would hope that a proportion of the funding ‘saved’ would be retained within the Tees Valley for use within the City Region. We are not asking for 100% of the funding to be retained – the principle of the agreement would be for Government to share in the ‘gain’, but we would hope that the City Region would benefit from our efforts.
- 9.28. To do this, the MAA provides an upfront agreement that underpins the comfort, certainty, flexibility and buy in needed to make this, and other similar

examples, work. Moreover, it clearly demonstrates to the public, to Members and other stakeholders that the Government can deliver in a joined up way, through a mature relationship with Local Government. Above all, this demonstration of a mature, joined-up relationship is the single most important element of value that an MAA can add.

10. Timetable for Implementation

10.13. The November 2007 operational guidance on LAAs/MAAs provided updated information on likely timetables for implementation, indicating that the Government will work with the selected sub-regions and cities to have the first MAAs in place by June 2008 (to fit with the timescale for new LAAs).

10.14. Crucially, we need to agree our MAA to maintain the momentum within the City Region that has been built up through the Business Case process. Based on our latest guidance, and to fit our needs, we have proposed the following timetable for submission/approval of our MAA:

- April 2008 – first negotiation meeting with CLG, BERR, DfT and HM Treasury on this draft MAA – out of this meeting we will be seeking approval to prepare a Single Programme Delivery Plan with ONE for the regeneration (place) funding stream plus any agreement on any further work on the ‘asks’ of Government;
- Late May 2008 – submit a revised draft MAA to CLG for second negotiation meeting;
- June 2008 – agree final draft; and
- July 2008 – MAA operational.

10.15. However, we recognise that it may not be possible to finalise the agreement in relation to the five ‘asks’ within the MAA within the timescale outlined above, given the need for alterations to be made to the operational practices of a number of Central Government Departments.

10.16. As set out in paragraph 7.10, we have agreed with ONE a new delegation process under the existing legislation but in the long term delegation will depend on amendment to the RDA Act or the raising of delegation limits from BERR to the Region. With regard to the other four ‘asks’ we expect Government to agree the necessary protocols and mechanisms to implement these procedures by the end of September 2008.

Appendix A

Evolution of the MAA



Appendix B

Outline Funding Plan

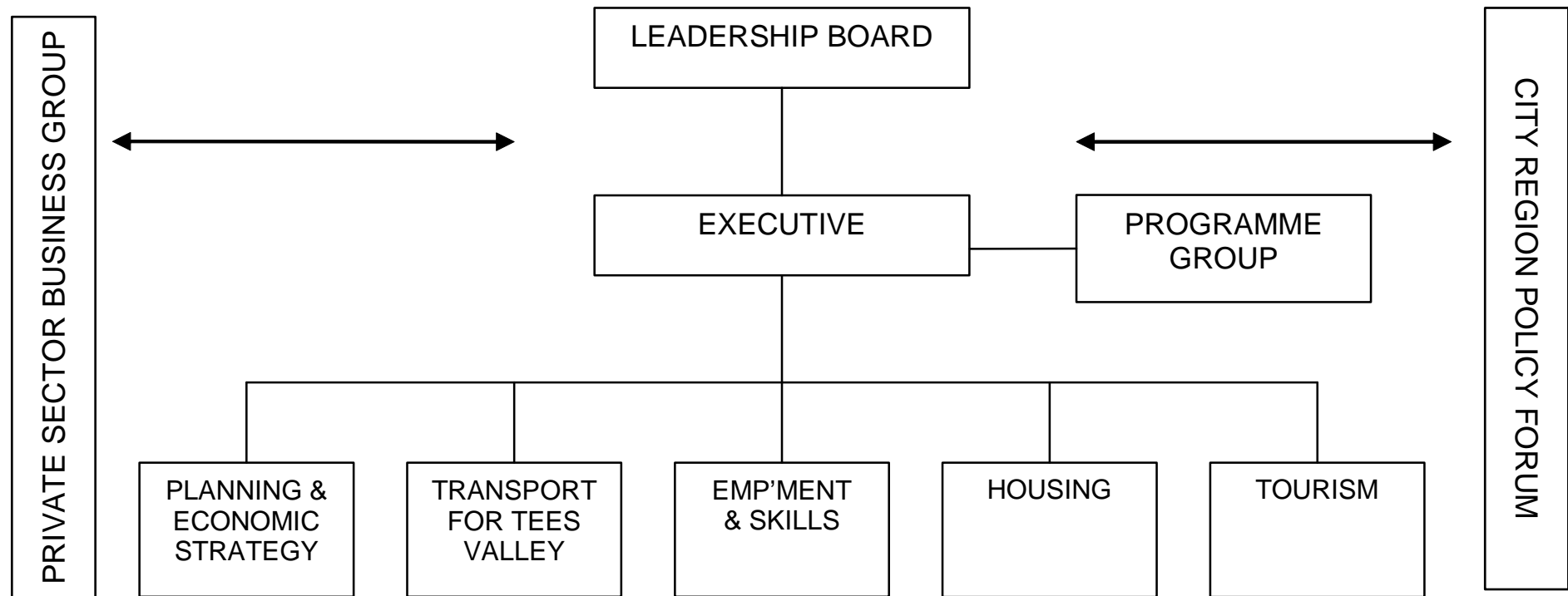
Funding Stream	Funding Source/ Project	Financial Year (in millions)								Total
		2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	
Place	One NorthEast	20.0	20.0	20.0	20.0	20.0	n/k	n/k	n/k	100.0
Housing	Housing Market Renewal	16.0	16.0	16.0						48.0
	Sub Regional Housing Strategy	3.0	3.0	3.0						9.0
	Growth Point Initiative	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k
	Homes and Communities Agency	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k
Transport	Regional Funding Allocation	12.2	17.0	11.3	0.0	0.0	20.0	20.0	0.0	80.5
	Community Infrastructure Fund	2.0	8.0	10.0	n/k	n/k	n/k	n/k	n/k	20.0
	Network Rail	6.0	1.0	1.0	1.0	1.0	10.0	n/k	n/k	20.0
	Highways Agency	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k	n/k
	Local Transport Plan	0.2	0.2	0.4	n/k	n/k	n/k	n/k	n/k	0.8
TOTAL		59.4	65.2	61.7	21.0	21.0	30.0	20.0	0.0	278.3

Notes to the table:

1. Only a five year Single Programme Delivery Plan is being negotiated with ONE, hence there is uncertainty beyond 2012/13. The Single Programme funding is subject to the joint development and agreement of the Investment Plan (aiming to be signed off by September 08) and is up to £20m contingent on availability of resources.
2. HRM figures for 2008-11 include funding from both CLG and the Regional Single Housing Investment Pot. The Homes and Communities Agency are expected to take responsibility for both of these sources from 2009 onwards.
3. We are still awaiting a response to our recent bid to become a Housing Growth Point, hence uncertainty in this line at present.
4. Discussions are ongoing with the Homes and Communities Agency as to how their funding will be incorporated within our forward proposals.
5. The early part of the Regional Funding Allocation is committed funding – the latter represents likely bids to be put forward as part of the review of the RFA later in 2008.
6. The Community Infrastructure Fund figures are indicative of the schemes that we would seek to put forward should the Tees Valley be successful with its proposal to be a Housing Growth Point.
7. Much of the planned Network Rail funding for the Tees Valley relates to a major re-signalling scheme currently planned for 2017/18, although the current design work on the Tees Valley Metro project is seeking to accelerate this expenditure in line with the wider project. The current Control Period also does not provide for committed funding beyond 2013/14.
8. Figures for the Highways Agency are dependent on the outcome of the Nichols' Review of scheme costs and the Targeted Programme of Improvements, due later in 2008.
9. Local Transport Plan funding for City Region projects can only be quoted up to 2011, the end of the current LTP funding period.

Appendix C

Governance Structure



Appendix D

Tees Valley Unlimited Governance Arrangements

Attached are the following agreements concerning the governance arrangements for Tees Valley Unlimited and the accountable body arrangements. The documents are:

- a) Joint Agreement between the five Boroughs for the establishment and governance of Tees Valley Unlimited; and
- b) Single Programme Agreement between Stockton-on-Tees Borough Council and Darlington Borough Council on the duties regarding accountable bodies. Please note the same agreement currently exists between all five Tees Valley Authorities.

Dated.....2008

DARLINGTON BOROUGH COUNCIL
HARTLEPOOL BOROUGH COUNCIL
MIDDLESBROUGH BOROUGH COUNCIL
REDCAR AND CLEVELAND BOROUGH COUNCIL
and
STOCKTON-ON-TEES BOROUGH COUNCIL

JOINT AGREEMENT
FOR THE ESTABLISHMENT AND GOVERNANCE OF TEES VALLEY UNLIMITED

Hartlepool Borough Council

J. Anthony Brown
Chief Solicitor

JOINT AGREEMENT FOR THE ESTABLISHMENT AND GOVERNANCE OF TEES VALLEY UNLIMITED

THIS AGREEMENT is made the2008

BETWEEN

- (1) DARLINGTON BOROUGH COUNCIL**
- (2) HARTLEPOOL BOROUGH COUNCIL**
- (3) MIDDLESBROUGH BOROUGH COUNCIL**
- (4) REDCAR AND CLEVELAND BOROUGH COUNCIL and**
- (5) STOCKTON-ON-TEES BOROUGH COUNCIL**

1. Definitions

In this Agreement the following words and phrases have the meaning allocated to them

- 1.1 “Act” means the Local Government Act 1972 (as amended)
- 1.2 “Board” means one of the Boards described in clause 3
- 1.3 “Clause” means a clause of this Agreement
- 1.4 “Commencement Date” means 1st April 2008
- 1.5 “Joint Strategy Committee Agreement” means the agreement dated 14th August 1998 made between the Local Authority Partners for the establishment of a Joint Strategy Committee and related activities
- 1.6 “Joint Strategy Unit” means the technical division of that name provided for by the Joint Strategy Committee Agreement and currently established and maintained by Stockton Borough Council for the purpose of carrying out on behalf of the Local Authority Partners strategic planning, sub-regional economic development strategy, strategic transport planning and technical support, information and forecasting service and the management and administration of European programmes
- 1.7 “Local Authority Partners” means the parties to this Agreement
- 1.8 “Non-Local Authority Partner” means a body organisation or agency being a member of, invitee to, or observer at meeting of, a Board pursuant to Clause 3
- 1.9 “TVU” means Tees Valley Unlimited being an unincorporated association of local authorities and other government bodies, persons and organisations acting in concert with the aim of implementing the Tees Valley City Region Business Case through the discharge of the functions set out in Schedule 1 and established and governed as set out in this Agreement.

1.10 “Partnership Costs” means costs relating to TVU being the costs of

- accommodating, maintaining and servicing the Boards including all costs associated with the convening, holding and maintenance of records of, Board meetings
- other costs of support technical and research services provided by the JSU including all employment and accommodation costs relating to the staff of the JSU

and any other costs agreed by the Local Authority Partners to be necessary for the proper functioning of TVU

1.11 “Schedule” means a schedule of this Agreement

1.12 “Supporting Groups” means the Private Sector Business Group, the Programme Group and the City Region Policy Forum

1.12 “Tees Valley” means the combined areas of the Local Authority Partners

2. **Purpose of Agreement**

2.1 The purpose of this Agreement is to define and regulate how the Local Authority Partners and the Non-Local Authority Partners will on and from the Commencement Date act together in a coordinated manner to achieve the objects of TVU by the establishment of joint working arrangements and will do so under the style of Tees Valley Unlimited and which on the part of the Local Authority Partners will be undertaken pursuant to the provisions of s.101 of the Act and the Local Authorities (Goods and Services) Act 1970 and any other relevant statutory provisions then enabling.

2.2 TVU will discharge its functions through a structure of Boards (Schedule 2) constituted conducted and serviced as provided in this Agreement and to this end the Local Authority Partners shall be responsible for:-

- Ensuring the participation of local authority members and officers as provided for in Clause 3
- Providing necessary funding for the administrative and technical support of the Boards through relevant personnel as provided for in Clause 6
- Receiving in accordance with Schedule 6 minutes reports and other communications from TVU and taking such action thereon as shall be appropriate including submitting proposals emanating from the TVU through the democratic processes applicable to the Local Authority Partners

- Implementing the consequent decisions in their respective areas in a coordinated manner throughout Tees Valley
- If expedient, the establishment of any other body including but not limited to a limited company to discharge any function or functions of the Local Authority Partners that they consider may conveniently be discharged through such a body

3. **Establishment of Boards and Supporting Groups**

3.1.1 The functions of the TVU shall be conducted by the following Boards:

- The Leadership Board and
- The Executive Board

and the following Functional Boards:

- The Planning and Economic Strategy Board
- The Tees Valley Transport Board [and]
- The Employment and Skills Board
- The Housing Board and
- The Tourism Board

and/or such other boards as the Local Authority Partners after such consultation as they shall deem appropriate shall determine from time to time.

3.1.2 The Leadership Board and the Executive Board may engage with and be informed and advised as necessary and appropriate by the Private Sector Business Group and the City Region Policy Forum of which the purpose, composition and interests are set out in Schedule 4

3.1.3 The Executive shall be further supported by the Programming Group of which the purpose terms of reference composition and accountability are set out in Schedule 4

3.2 **Leadership Board**

The arrangements set out in this clause 3.2 shall apply to the Leadership Board -

3.2.1 The membership of the Board shall comprise:

- 5 Local Authority Partner representatives, namely the Leader of Elected Mayor of each Local Authority Partner each of whom shall nominate a substitute to attend when the representative is unable to do so and

- 6 representatives of Non Local Authority Partners from such commerce, education and the voluntary sector as the Local Authority Partners shall following consultation determine from time to time
- 3.2.2 The Board may invite Board level representation of regional agencies to attend meetings of the Board and actively contribute to discussions
- 3.2.3 The Chair of the Board shall be elected by the Board from the Non-Local Authority Partner members
- 3.2.4 The Vice-chair of the Board shall be elected by the Local Authority Partner members from amongst their number
- 3.2.5 The term of office of the Chair shall be 3 years and the Vice-chair shall hold office at the discretion of the Local Authority Partners.
- 3.2.6 The Board shall meet 4 times per year
- 3.2.7 The purpose remit and accountability of the Board shall be as set out in Schedule 3 Part 1

3.3 Executive Board

The arrangements set out in this Clause 3.3 shall apply to the Executive Board -

3.3.1 The membership of the Board shall comprise -

5 Local authority representatives, namely the Chief Executive (or other named Head of Paid Service) of each Local Authority Partner and

The chief executives or other suitable senior representatives of key public sector sub-regional organisations and private sector organisations, namely :

- CBI
- North East Chamber of Commerce
- Government Office North East
- One NorthEast
- Jobcentre Plus

and/or such other bodies as the Local Authority Partners shall determine following such consultation as they consider appropriate

3.3.2 The Board may invite observers from:

- One NorthEast

- Government Office North East
- Learning and Skills Council
- Jobcentre Plus
- North East Chamber of Commerce
- Communities England

and/or such other bodies as the Board may determine from time to time

3.3.3. The Board shall elect a Chair from amongst their number annually or otherwise as they may determine

3.3.4. The Board shall meet 4 times per year

3.3.5. The purpose remit and accountability of the Board shall be as set out in Schedule 3 Part 2

3.4 The Functional Boards

3.4.1 Subject to 3.4.2 the purpose remit membership and accountabilities of the Functional Boards shall be as set out in Schedule 5

3.4.2 Each of the Local Authority Partners shall endeavour to ensure that its representative or representatives on any Functional Board is or includes the member of their executive with responsibility for the functions relevant to that Board

3.4.3 The purpose remit membership and accountabilities of any other Functional Board or Boards established by the Local Authority Partners shall determine be as determined by the Local Authority Partners

4. Convening servicing and conducting business of meetings of the Boards

4.1 As soon as practicable after the Annual Meetings of the Local Authority Partners in each year, the Boards shall agree a diary for their meetings during the ensuing year

4.2 Board meetings shall be convened and serviced by the Joint Strategy Unit and the process for submission of reports by members of the Boards and for circulation of reports and minutes shall be in accordance with the timetable and procedures set out in Schedule 6

4.3 Board meetings will not be public meetings for the purpose of the Access to Information provisions of the Local Government Act 1972 but a meeting of a

Board may be open to the public if and to the extent that the Board so determines.

- 4.4 Board meetings shall be conducted in accordance with the Procedure Rules set out in Schedule 6
- 4.5 Subject to Clause 5.3 below, no powers of the Local Authority Partners are delegated to TVU or the Boards and the decisions of TVU or the Boards are not binding on either the Local Authority Partners or the representatives of the Local Authority Partners save to the extent (if any) that the representatives are empowered by their respective Constitutions (including schemes of delegation) to exercise delegated powers and they choose to exercise those powers
- 4.6 In relation to any recommendation of a Board the effect of which is that the Local Authority Partners should or should not exercise their functions in any manner voting shall be restricted to the representatives of the Local Authority Partners
- 4.7 If the Local Authority Partners consider it expedient for the better achievement of the aims of TVU to delegate powers to a body discharging the functions of TVU they may establish a joint committee pursuant to s.101(5) Local Government Act 1972 and in doing so shall have regard to the provisions of the Local Authorities (Arrangements for the Discharge of Functions)(England) Regulations 2000 Article 11 (Joint exercise of an executive's functions)


6. Financial Arrangements

- 6.1 Each Local Authority Partner will bear the proportion of The Partnership Costs which is in the proportion that the population of that authority's area according to the mid-year population estimate of the Registrar General bears to the like estimate of the population of Tees Valley
- 6.2 The arrangements for determining the Partnership Costs and for the payment by the Local Authority Partners of their respective shares of the Partnership Costs will be as provided in Schedule 7

7. Status duration and variation of Agreement

- 7.1 The arrangements constituted by this Agreement do not constitute a partnership for the purposes of the Partnership Act 1890 or any other legislation and no Local Authority Partner Non-Local Authority Partner or any other person or body participating in the arrangements is responsible or liable by way of indemnity or otherwise for the actions liabilities debts or losses of any other local authority person or body whether or not party to this Agreement.
- 7.2 Subject to Clause 7.3 this Agreement shall remain in force until brought to an end by mutual agreement of the Local Authority Partners.

- 7.3 Any Local Authority Partner may withdraw from the Agreement by giving to each of the other Local Authority Partners not less than 15 months notice terminating on 31st March in any year at the expiration of which this Agreement shall determine and be of no further effect without prejudice to obligations arising under Clause 6 up to the date of termination.
- 7.4 The provisions of this Agreement may be varied added to or removed by mutual agreement of the Local Authority Partners Provided that before making any variation significantly affecting a Non Local Authority Partner or any other body organisation or agency likely to be affected the Local Authority Partners will undertake such consultation as they consider appropriate.
- 7.5 Upon the Commencement Date the Joint Strategy Committee Agreement shall terminate and be of no further effect save in relation to any obligations of any of the parties which have arisen and remain to be discharged prior to the Commencement Date.

Signed on behalf of Darlington Borough Council by	
Signed on behalf of Hartlepool Borough Council by	
Signed on behalf of Middlesbrough Borough Council by	

Signed on behalf of Redcar & Cleveland Borough Council by	
Signed on behalf of Stockton-on-Tees Borough Council by	

Schedule 1

Functions of TVU

- a) A strategy to improve the economic performance of the Tees Valley City Region.
- b) An evidence base to justify the strategy.
- c) A 10 year investment plan, assuming broadly similar levels of investment setting out the priorities for the Tees Valley. The investment plan is a programme of investment which implements the strategy.
- d) A proposal for a multi-area agreement covering the three main funding streams in economic development, transport and housing market renewal which will fund the investment plan.
- e) Governance arrangements for coordinating activity in the Tees valley to improve economic performance.
- f) A green infrastructure strategy.
- g) Outline business cases for key transport schemes.
- h) A case for a housing market restructuring programme.

Schedule 2

Structure of TVU Boards

Part 1

Remit and Accountability of Leadership Board

Terms of Reference	<ul style="list-style-type: none">• To ensure delivery of the Tees Valley Investment Plan• To achieve the targets set out in the Multi Area Agreements• To deliver the City Region Development Programme• To agree and changes to programme/funding as required to the Tees Valley Investment Plan• To Approve any reviews of the Tees Valley City Region Development Programme and other City Regional strategies• To Ensure the City Region Development Programme and other strategic reports are reflected in regional, pan-regional and national policies• To Engage with local MPs
Accountability	<ul style="list-style-type: none">• To Government through the MAA• To other funding partners• All members of the Board, including the private sector, have a vote, save on matters arising from sub boards where only local authority representatives can vote

Part 2

Purpose, Remit and Accountability of Executive Board

Purpose	To advise the Leadership Board and to undertake a co-ordinating role in respect of the membership of the Leadership Board, relevant officers and programmes
Terms of Reference	<ul style="list-style-type: none">• Policy and strategic service to the Board• Monitoring and delivery of the Investment Strategy, the CRDP and the MAA• To report, by exception, progress on project delivery• To make recommendations to the Leadership Board on changes to programme/funding as required
Accountability	<ul style="list-style-type: none">• To the Leadership Board

The Executive will be serviced by the Director of the JSU

Schedule 4

The Supporting Bodies

Private Sector Business Group

Purpose	The Private Sector Business Group will provide a very direct engagement of the private sector with decisions taken by the City Region as a whole
Terms of Reference	<ul style="list-style-type: none">• To provide two-way relationship between the Leadership Board/Executive and the private sector• Quarterly meetings, timed between meetings of the Leadership Board
Composition	<ul style="list-style-type: none">• 10 – 15 members from key private sector partners. 10 core members with provision of a further 5 to be invited depending on the issue.
Accountability	<ul style="list-style-type: none">• N/A

The Chair, when appointed, will work with the private sector partners to form the Group.

The JSU will service the Group.

City Region Policy Forum

Purpose	A Tees Valley City Region Policy Forum is [proposed to be] set up with the County Durham and North Yorkshire authorities to develop policy in particular looking at not only how these areas can benefit from the improvement of the economic performance of the Tees Valley but also how they can contribute to improving the economic performance of the City Region
Terms of Reference	<ul style="list-style-type: none">• To share information on strategic developments that will affect either parties' forward strategy, such as large scale planning applications, transport proposals, housing and spatial planning• Probably six monthly meetings to coincide with the Leadership Board meetings, although may also depend on the Executive and the need for any special meetings to deal with specific issues
Composition	<ul style="list-style-type: none">• 5 nominated representatives from the Tees Valley, together with representatives from the 2 County Councils and 5 District Councils
Accountability	<ul style="list-style-type: none">• No direct accountability within Tees Valley Unlimited, but relationship with existing (and future) arrangements in other authorities needs to be clarified

It is intended that this Forum should be entirely an Officer group, concerned primarily with the co-ordination of strategy.

Programme Group

Purpose	To manage the Multi Area Agreement
Terms of Reference	<p>To approve business cases for projects making up the programme before submission to ONE</p> <p>To monitor the management of the Multi Area Agreement</p> <p>To make recommendations to the Executive on changes to funding of projects in the Multi Area Agreement as required</p>
Composition	Directors of Regeneration (or their representative) from the Tees Valley authorities
Accountability	To the Executive Board

Schedule 5

Purpose Remit Membership and Accountability of Functional Boards

Planning and Economic Strategy Board

Purpose	Coordinating the input of the City Region into the Regional Spatial Strategy, Regional Economic Strategy and the Northern Way and taking forward the strategic economic issues set out in the Business Case.
Terms of Reference	<ul style="list-style-type: none"> • To co-ordinate delivery of the spatial priorities as set out in the Investment Plan • To co-ordinate the input of the City Region into the RSS, RES, The Northern Way and European policy • To produce research reports into economic issues • To produce an annual monitoring report on the economic performance of the City Region and the success of the CRDP • To take a lead on sector working, eg a logistics sector strategy related to ports and airports • To develop and implement the green infrastructure strategy • To co-ordinate the implementation of the regeneration/place programme and the key spatial initiatives • To liaise with One NorthEast on the key sector initiatives taking place in the Tees Valley
Composition	<ul style="list-style-type: none"> • A Member/Officer group with Cabinet Members for planning/economic development and Officers from the five Tees Valley Authorities • Representatives from CBI, Chamber of Commerce, NEPIC, Renew Tees Valley, Centre for Process Innovation, Tees Valley Engineering Partnership, ONE, LSC, Business Link North East, NEA, North Yorkshire County Council (1 Officer), Durham County Council (1 Officer), Environment Agency, Tees Valley JSU, Tees Valley Regeneration
Accountability	<ul style="list-style-type: none"> • To the Leadership Board (through the Executive) • To funding partners • Local Authority Cabinet Members have a vote on any planning matters – all can vote on economic development matters

Transport for Tees Valley Board

Purpose	To develop City Region transport strategy and develop the Tees Valley Metro, Bus Network Improvements and transport issues affecting the trunk road network
Terms of Reference	<ul style="list-style-type: none"> • To co-ordinate delivery of the City Region Transport Strategy • To prepare the business case and co-ordinate the delivery of the Bus Network Improvements • To examine options for operating the system and take forward the Tees Valley Metro proposals after they have been progressed to a suitable degree • To prepare the Tees Valley Monitoring Report • To co-ordinate the implementation of transport resources delegated through TIF and the RFA process • To liaise with the Highways Agency and Network Rail on issues relating to the strategic road and rail network • To represent the Tees Valley and making the case for further investment through regional and national bodies, The Northern Way and European Funds
Composition	<ul style="list-style-type: none"> • A Member/Officer group with Cabinet Members for transport and Officers from the five Tees Valley Authorities • Representatives from GONE, ONE, NEA, Highways Agency, Network Rail, Arriva, Stagecoach, Chamber of Commerce, CBI, PD Ports, Peel Holdings, North Yorkshire County Council (1 Officer), Durham County Council (1 Officer), Tees Valley JSU
Accountability	<ul style="list-style-type: none"> • To the Leadership Board (through the Executive) • To funding partners • To Government in delivering major transport schemes • Only Local Authority Cabinet Members have a vote

Employment and Skills Board

Purpose	To develop a Tees Valley Skills Strategy.
Terms of Reference	<ul style="list-style-type: none"> • To develop a City Region Employment and Skills Strategy • To identify the key skills needs of the City Region and the programmes required • To address issues relating to Employability, in particular the 20% of the working population with no qualifications • To co-ordinate delivery of the employment and skills work being undertaken by partners and advise statutory agencies on commissioning of mainstream funded delivery • To engage key City Region employers within the process • To encourage people to recognize the value of education and training • To improve the employment offer • To encourage people to become more innovative and enterprising in business, work and training • To prevent issues of underachievement and non-engagement arising at the outset • To ensure that the outputs are aligned with the RES and Regional Employability Framework
Composition	<ul style="list-style-type: none"> • LSC, Jobcentre Plus, five Tees Valley Authorities (Children's Services and Economic Development/Regeneration Departments), Colleges of Further Education (1), HEFCE, University of Durham, University of Teesside, Business Link North East, CBI, Chamber of Commerce, Federation of Small Businesses, TUC, training providers (1), voluntary sector (1), Tees Valley JSU
Accountability	<ul style="list-style-type: none"> • To the Leadership Board (through the Executive) • It is intended that the Board will advise LSC/Jobcentre Plus on the skills needs of the Tees Valley. As such, it is a strategic advisory body • Primarily an Officer Board, since it is concerned with strategy and co-ordination

Housing Board

Purpose	To coordinate the delivery of the housing market renewal strategy
Existing Arrangements	<ul style="list-style-type: none">• Tees Valley Living
Terms of Reference	<ul style="list-style-type: none">• As existing TVL arrangements• Delivery of the housing market renewal strategy• Liaise with the Regional Housing Board
Composition	<ul style="list-style-type: none">• As existing TVL arrangements
Accountability	<ul style="list-style-type: none">• As existing TVL arrangements, but to the Leadership Board rather than TVP• Cabinet Members only will have voting rights as of now

Tourism Board

Purpose	To develop and realise the potential for tourism in the Tees Valley
Existing Arrangements	<ul style="list-style-type: none">• Area Tourism Partnership (Visit Tees Valley)
Terms of Reference	<ul style="list-style-type: none">• As existing ATP arrangements• Promote tourism• Co-ordinate the development of a programme of major events• Develop programmes to support the development of tourism business and the skills needs of this growing sector• Further items being delivered by the ATP
Composition	<ul style="list-style-type: none">• As existing ATP arrangements
Accountability	<ul style="list-style-type: none">• As existing ATP arrangements, but to the Leadership Board instead of ONE

Schedule 6

Procedures for convening and conduct of business of Boards

1. The Chairman in consultation with any vice-chairman of a Board may call a meeting of the Board at any time and shall call a meeting within 7 days of being so required by any Local Authority Partner representative on the Board
- 2.1 The agenda for any meeting shall be determined by the Head of the Joint Strategy Unit in consultation with the Chair of the Board
- 2.2 Except with the approval of the Chairman (to be given only in a case of clear urgency) three clear days at least before a meeting a summons to attend the meeting specifying the business proposed to be transacted thereat shall be sent by the Head of the Joint Strategy Unit to every member of the Board and a copy thereof shall be sent to the Chief Executive of and not more than 4 officers nominated by each Local Authority Partner
- 3 Meetings shall be held at such place as the Chairman shall determine and on such days and at such times as the Boards may from time to time
- 4 Subject to Clause 5.2 every matter arising at a meeting of a board shall be determined by the majority of the votes of the members present and voting on the question and the Chairman shall not be entitled to exercise a casting vote.
5. One quarter of the membership shall form a quorum provided that not less than 3 of the Local Authority Partners are represented at the meeting
- 6.1 A minute book shall be provided and a record of the proceedings of a Board duly recorded therein. The minutes of any meeting shall be submitted to the next meeting of the Board for approval
- 6.2 Copies of the minutes of each meeting of a Board shall be sent to each member of the Board and to the Chief Executive or other nominated officer of each Local Authority Partner within 7 days after the date of the meeting.
7. A Board shall have power to appoint such sub-board of their number and working groups as they may from time to time determine with such quorum as determined shall consist of members representing the Local Authority Partners to the extent required for meetings of the Board

Schedule 7

Financial Procedures

1. Not later than 30th November in each year the JSU shall submit to each Local Authority Partner the budget approved by Stockton for the following financial year comprising an estimate of the Partnership Costs for the next financial year
2. Each Local Authority Partner shall include in its budget for the following financial year the relevant proportion of the Partnership Costs
3. With the exception of Stockton the relevant proportion shall be paid by each Local Authority Partner to Stockton by equal quarterly instalments on the 15th day of each of the months of May, August, November and January in each financial year bearing interest from the due date for payment at a rate being 2 per cent above the base rate then applied by Stockton's bankers

TEES VALLEY PARTNERSHIP

SINGLE PROGRAMME AGREEMENT

BETWEEN

STOCKTON –ON – TEES BOROUGH COUNCIL

AND

DARLINGTON BOROUGH COUNCIL

**Law and Democracy
Stockton-on-Tees Borough Council
Municipal Buildings
Church Road
Stockton-on-Tees
TS18 1LD**

This Agreement is made the 1st day of April 2006 between STOCKTON-ON-TEES BOROUGH COUNCIL of Municipal Buildings, Church Road, Stockton-on-Tees TS18 1LD ("the Accountable Body") and DARLINGTON BOROUGH COUNCIL of Town Hall, Darlington, DL1 5QT ("the Lead Partner")

PURPOSE OF THE AGREEMENT

1. In consideration of Stockton-on-Tees Borough Council agreeing to be the Accountable Body* for the Single Programme the Lead Partner hereby agrees to apply the Single Programme Funds towards the achievement of the projects and outputs for which it is responsible as set out in the Business Plan 2006/2009.
2. This Agreement sets out the respective duties and obligations of both parties acting within the Tees Valley Partnership in the delivery of the Single Programme.

OPERATIVE PERIOD

3. This Agreement shall commence on 1st April 2006 and shall terminate on 31st March 2009 subject to earlier termination as provided for in the Agreement.

NOMINATED REPRESENTATIVES

4. The Tees Valley Partnership shall appoint a Central Secretariat to administer the projects and monitor the outputs in the Business Plan. Services provided by the Central Secretariat to the Accountable Body shall be subject to a separate agreement between the parties thereto.

* "Accountable Body" means the legal entity nominated to act on behalf of the Partnership in taking responsibility for the receipt and use of the Single Programme Grant and the realisation of the Business Plan.

5. The Accountable Body and the Lead Partner shall each appoint a nominated representative to attend meetings of the Tees Valley Partnership and to provide information on key indicators of performance and compliance with grant conditions. The Nominated Representatives shall receive three clear days notice of all meetings and shall be served with agendas and minutes of all such meetings.

ACCOUNTABLE BODY OBLIGATIONS

6. The Accountable Body for the Single Programme will ensure that the requirements set out in the One NorthEast Offer Letter and the Single Programme Guidance notes are met, and in particular will:-
 - (a) agree in advance with One NorthEast any significant changes to the approved Action Plan and/or changes to the Key Indicators of Performance;
 - (b) ensure the Lead Partner establishes, maintains and operates effectively the appraisal, monitoring and financial management systems established in compliance with Single Programme Guidance and agreed as part of the Business Plan, in order to (i) control expenditure; (ii) to ensure that the costs of implementing the Business Plan can be clearly identified; (iii) to secure the propriety of all eligible expenditure;
 - (c) ensure that all projects are appraised and approved in accordance with the One NorthEast Guidance Procedures approved by the Partnership Board and its Executive Group;

-
- (d) notify the One NorthEast of any financial irregularities in relation to the use of Single Programme Grant and the action proposed in response;
 - (e) produce formal written procedures for the Lead Partner which will secure openness and transparency in decision taking in relation to the administration of the grant to ensure all documents are available and provide reasonable access for:-
 - (i) inspection visits and scrutiny of files by representatives of the Accountable Body or One NorthEast, or national audit office;
 - (ii) external audits and review of projects and of financial, appraisal and monitoring systems;
 - (f) agree with One NorthEast any change of the Tees Valley Partnership's external auditor;
 - (g) agree with the One NorthEast any change to the division of funding between capital and revenue expenditure;
 - (h) notify One NorthEast of any income (including rental income) or any receipt in excess of the estimated level taken into account when the grant requirement was first determined, which accrues from a Project funded in whole or in part by Grant. One NorthEast may agree (in writing) that the income or receipt may be retained by the Partnership, if they are satisfied that it will be used for the benefit of the agreed project, or the continuing regeneration objectives of the Business Plan. If not, One NorthEast will require a share of the income (or the proportion of it attributable to the grant);
 - (i) ensure formal procedures are recorded in writing and put in place with Lead Partners to avoid any conflict of interest by members (including Board members) and employees of the Partnership, or any other decision making forum as set out in the Guidance Manual. This must involve particular members of the Partnership declaring an interest where necessary at project appraisal and approval stages. Any of the Partnership members who bid for a Partnership contract, whether by single or competitive tender, must be excluded from the contract awarding process.
7. The Accountable Body will make all of the claims to One NorthEast on the standard forms as agreed in the Offer Letter (and the Tees Valley Partnership will be informed when claims are due to be made). The claims will be made quarterly in arrears or as agreed by One NorthEast. Supporting documentation from the Lead Partner must be sufficient to provide evidence to the Accountable Body to enable it to make payments to the partner once the grant is received from One NorthEast.
8. The Accountable Body will make payments to the Lead Partner within a period of three weeks, following receipt of the Grant from One NorthEast.
9. The Accountable Body will provide an Annual Statement of Grant Expenditure on behalf of the Tees Valley Partnership and arrange for Audit Commission to verify the information produced as required as part of the audit arrangements. The Accountable Body will be reimbursed in full by the Tees Valley Partnership for all of the costs associated with and requested by Audit Commission for providing this external audit service.
10. The Accountable Body will collate and provide financial information from Lead Partners, in an agreed format, to accompany reports to the Partnership Board within 5 working days of the receipt of a request from the Partnership Board.
-

THE LEAD PARTNER'S RESPONSIBILITIES

- 11. The Lead Partner is responsible for achievement of the Key Indicators of Performance in relation to their Projects approved as part of the Local Package and as set out in the Business Plan as attached at Annex 1, and in particular the Lead Partner will:-**
- (a) keep each scheme under review in accordance with the Single Programme Guidance notes;**
 - (b) provide all relevant information required to ensure all projects can be appraised and approved in accordance with the procedure approved by the Partnership Board and its Executive Group;**
 - (c) establish approved policies for equal opportunities, health and safety, environmental issues, complaints and other such matters, which delivery agents will be required (via the contract process) to observe;**
 - (d) keep the whole programme under review and any matters relevant to the successful implementation of the scheme, including links to other initiatives and to reflect these in the scheme review and observations to partners, delivery agents and others;**
 - (e) ensure that all projects have the necessary authority (legislative or otherwise) for the activities proposed.**
- 12. The Lead Partner will ensure that adequate records are maintained for individual projects to satisfy the Single Programme monitoring and Periodic Review requirements as required by the Accountable Body's formal written procedures. Monitoring information on the standard forms provided will be forwarded to the Accountable Body quarterly. Monitoring information will be received by the Accountable Body at least 5 working days before each due claim.**
- 13. The Lead Partner will forward quarterly scheme progress reports to the Accountable Body in a format to be agreed at least 5 working days before a due claim, including:-**
- (a) information on performance and progress towards achieving objectives and key indicators including evidence from Lead Partners (and/or other associated partners) main Financial Ledger to verify eligible expenditure incurred and now claimed in that period;**
 - (b) evidence of the broad relationship between projects and objectives;**
 - (c) information on the general 'well being' of the area or client group;**
 - (d) identification of key issues/problems which may require changes in activities, together with recommended options for consideration;**
 - (e) financial position/impact on the Business Plan and future years;**
 - (f) key up and coming events important to the Tees Valley Partnership; and**
 - (g) results of any Periodic Reviews which are in progress or have taken place.**

14. The Lead Partner will forward quarterly financial reports on the scheme to the Accountable Body at least 5 working days before a due claim date, including:-
- (a) output profiles, achievement towards end forecasts;
 - (b) spend profiles, achievement toward end forecasts;
 - (c) notification of over/under spend or performance;
 - (d) funding balance between objectives;
 - (e) the policy for, and success in attracting private sector leverage, other public sector resources and any revenue earning from projects;
 - (f) individual project information on large spend projects or those which have a significant impact towards achieving strategic objectives, including complementary projects; and
 - (g) significant failures or problems in the project or financial monitoring systems.
15. The Lead Partner will submit claims for Management and Admin grant quarterly in arrears based on 4 equal instalments of the total amount approved in the Business Plan. The Lead Partner shall keep records to evidence the actual amount spent on Management and Admin in accordance with One NorthEast standard instructions. If, at the end of each financial year, there is any shortfall in actual spend compared to grant received the overpayment shall be accounted for and reconciled in the final quarterly grant claim for the year.

AUDITS

16. The Accountable Body shall at all times (including following the termination of this agreement) be given access to any books, records and information in the possession or control of the Lead Partner which relate to or are or were used in connection with the projects set out in the Business Plan for the purposes of an internal or external audit or inspection by the Accountable Body.
17. The Lead Partner will provide all co-operation and afford all access to personnel and records in order to assist the Accountable Body in carrying out any audit or inspection and shall permit the Accountable Body to copy and remove any copies of and to remove the originals of any books, records and information required by the Accountable Body for the purpose of the audit or inspection.
18. The Lead Partner shall provide all co-operation and afford all access to personnel and records in order to assist the Accountable Body in compiling the annual Statement of Grant Expenditure which is submitted to the Audit Commission. Accounts shall be retained for at least 6 years after the end of the financial year in which the last payment is made under this Agreement.

TERMINATION

19. Either party may terminate this Agreement where Single Programme Grant is withdrawn.
20. The Accountable Body may terminate the Agreement where:-
- (a) the grant has not been used for the purpose for which it was given;

- (b) other circumstances or events happen that are likely to affect the Lead Partner's ability to achieve the Key Performance Indicators or result in a risk that the Business Plan as approved will not be completed;
- (c) there is a failure to keep and maintain the records specified in the Guidance Manual and to comply with paragraph 17 above;
- (d) the composition of the Partnership changes, or the Partnership becomes insolvent or is dissolved in any of the ways set out in the Guidance Manual.
- (e) a charge is taken on an asset financed wholly or partly from grant monies, without the agreement in advance of One NorthEast.
- (f) the performance of the Lead Partner is judged to be unsatisfactory under the Guidance Manual;
- (g) insufficient measures are being taken to investigate and resolve any reported irregularities;
- (h) any information provided in the application for funding or in a claim for payment or in subsequent or supporting correspondence is found to be incorrect or incomplete to an extent which the Accountable Body considers to be material.

In the event of termination the Accountable Body may reduce, suspend or withhold grant payments, or require all or part of the grant to be repaid by the Lead Partner.

INSURANCE AND INDEMNITY

21. The Lead Partner shall maintain adequate insurance to cover its potential liability under this Agreement and shall indemnify and keep the Accountable Body indemnified against all direct, indirect and/or consequential liability, loss, damages, injury, costs and/or expenses awarded against and/or incurred and/or paid by the Council as a result of and/or in connection with a breach by the Lead Partner of this Agreement or the Lead Partner's negligence.

NOTICES

22. No notice or any other agreement, consent or approval to be served upon the Accountable Body shall be valid or effective unless it is sent by prepaid post or is delivered by hand for the attention of the Accountable Body's nominated representative.
23. No notice or any other agreement, consent or approval to be served on the Lead Partner shall be valid or effective unless it is sent by prepaid post or is delivered by hand for the attention of the Lead Partner's nominated representative.

RESOLUTION OF DISPUTES

24. All disputes between the Accountable Body and the Lead Partner arising out of or in connection with this Agreement or any failure by the parties to agree any matter to be agreed as referred to in this Agreement within a reasonable period shall in the first instance be referred to the respective parties Chief Executive for discussion and resolution. If the dispute is not resolved by the Chief Executives within a reasonable period, it shall be referred to an Expert to be agreed upon by the parties or in default of such agreement to be nominated by the President for the time being of the Law Society.

25. The Expert appointed under clause 24 shall be entitled to make such decision or award as he thinks just and equitable having regard to all the circumstances then existing and the costs of such Expert shall follow the event or in the case of neither party succeeding such cost shall be apportioned between the parties by the Expert in such proportions as he in his absolute discretion thinks fit.

STATUTORY REQUIREMENTS

26. The Accountable Body and the Lead Partner shall comply with all statutory requirements to be observed and performed in connection with the Business Plan and the projects.

RIGHTS OF THIRD PARTIES

27. Nothing in this Agreement will create rights under the Contracts (Rights of Third Parties) Act 1999 in favour of anyone other than the parties to this Agreement.

Signed on behalf of the Accountable Body

Signature:

Name (please print):

Position:

Date:

Signed on behalf of the Lead Partner

Signature:

Name (please print):

Position:

Date:

Appendix E

Performance Monitoring Framework

Performance Monitoring Framework

Ref	MAA Indicator (+ Definition)	National Indicator Set						PSA Target	Regional Performance Indicator	RES Indicator
		No.	Darlington	Hartlepool	Middlesbrough	Redcar & Cleveland	Stockton			
M1	Gross Value Added per Head – measure of the total value of the economy	N/A						7	Productivity	Increasing GVA to 90% of UK average
M2	Increase in Business Stock – number of businesses registered	171	✓	✓	✓	✓	✓	--	Enterprise	Creating between 18,500 and 22,000 net new additional businesses
M3	Working Age People on Out of Work Benefits – most reliable measure of household income	152		✓				--	Productivity	Increasing GVA to 90% of UK average
M4	Overall Employment Rate – proportion of working age population in employment	151	✓	✓			✓	7	Enterprise	Increasing GVA to 90% of UK average
M5	Reliability of City Region Road Network – variance in speeds and journey times for selected links on the network	N/A						5	Sustainable Development	N/A

Ref	MAA Indicator (+ Definition)	National Indicator Set						PSA Target	Regional Performance Indicator	RES Indicator
		No.	Darlington	Hartlepool	Middlesbrough	Redcar & Cleveland	Stockton			
M6	Net Additional Homes Provided – overall increase in dwelling stock	154	✓		✓			20	Sustainable Development	N/A
M7	CO ₂ Emissions from Industrial Premises – measure of the resource efficiency of the industrial sector		186		186	186		27	Sustainable Development	CO ₂ emissions from consumption

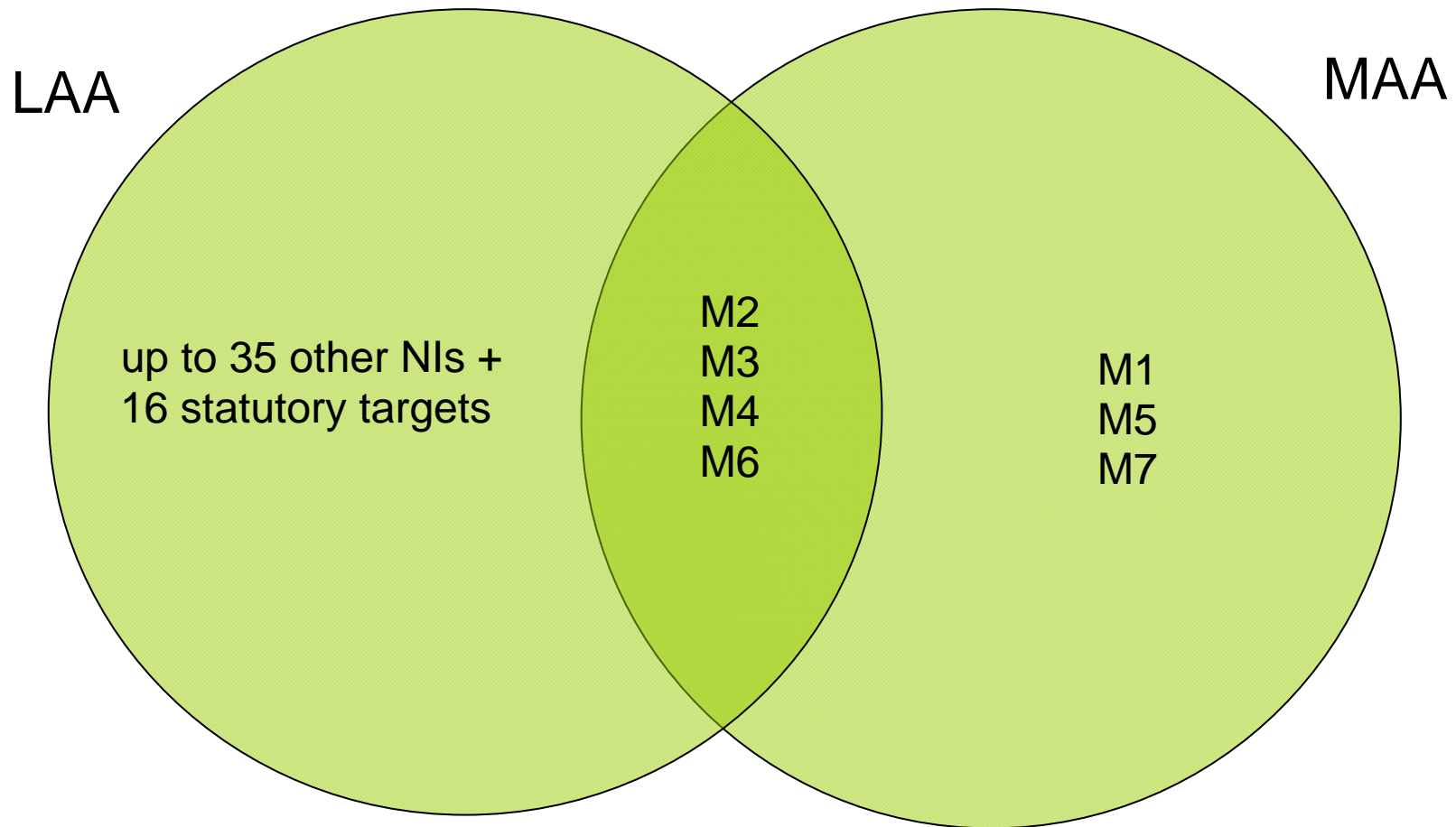
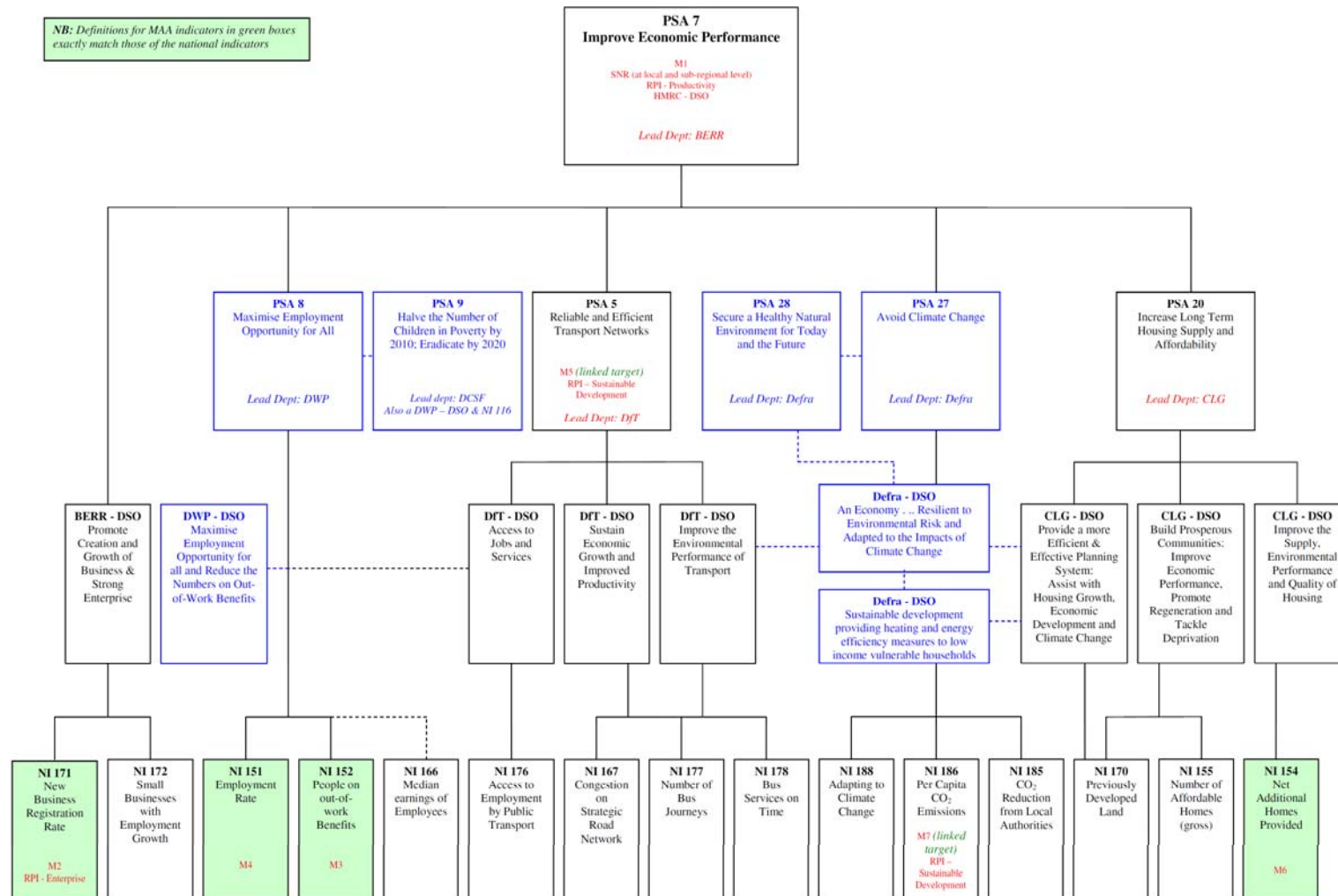
Diagram showing Complementary Relationship between LAA and MAA indicators

Diagram showing Linkages between MAA Indicators and PSAs/DSOs

Created on 20/05/08



Appendix F

Progress with the MAA 'Asks'

MAA 'Ask'	Rationale & Progress to Date	Next Steps	Status
1. Agreement to broad programme of strategic investment priorities	Agreed in principle with ONE, and negotiations are currently underway on the approach agreed through the Corporate Planning process – Project Initiation & Planning documentation currently being considered by ONE for inclusion in the City Region programme.	Work needs to progress on further developing the joint appraisal process to improve the business process system, allowing high quality business cases to progress through the system more efficiently, and in a way that can allow greater responsiveness to potential private sector investment.	Continued negotiation between City Region and ONE on specific projects
2. City Region Investment Plan to be the guiding document	<p>Investment Plan prepared in September 2006 has now been reviewed and updated into three separate documents:</p> <ul style="list-style-type: none"> • Single Programme Delivery Plan – under negotiation with ONE (see above), with clear links to ONE's Corporate Plan and proposed regional growth objectives / RES targets; • Housing Market Renewal Business Case (and supporting Growth Point Bid) – under consideration by CLG, having been approved by Tees Valley Living; there will also be implications for this area from the Homes and Communities Agency, particularly the regional dimension of the Agency's work and a link will have to be made when the Agency is further advanced in its development; and • City Region Transport Strategy – approved by all five Authorities as an addendum to their LTPs, and now feeding in to the RFA, guidance for which is expected later in 2008. 	Regular updates need to be provided on these documents, all of which set out the detail of the capital projects that the City Region has prioritised.	Continued development by City Region
3. Certainty of funding over a defined time period	Given that the MAA consists of the main capital funding streams, there is a need to look at a longer agreement on funding – the suggestion is currently for 5 (or 3 + 2 years), with an annual or bi-annual	This 'ask' will need to form part of the MAA as it requires commitment from Central Government.	To be included in MAA

MAA 'Ask'	Rationale & Progress to Date	Next Steps	Status
	<p>review.</p> <p>CLG has stated that HMT would allow any Government Department to agree funding over any length of time with a Region or City Region, but that any "overhang" relating to the current CSR period will be at the Department's own risk.</p>		
4. Appraisal of project of value less than £5 million to rest with Tees Valley	<p>This 'ask' seeks the authority for Tees Valley to appraise projects under £5m. Although there would be involvement by ONE in the appraisal process there is an issue of the accountability of the funder, in this case the RDA. The point of issue is who makes the investment <u>decision</u>.</p> <p>The current delegatory framework does not allow this level of delegated authority to the City Region. At the moment projects over £2.5m have to be approved by the ONE Board. The issue of delegation is a key one to emerge from the SNR and is currently being considered by CLG and BERR.</p>	<p>The expectation is that the forthcoming SNR implementation consultation document should set out Government's intention on delegation from central Government to Regions and from Regions to City Regions and Local levels. However there will unlikely be a clear picture on how this will look until later in the year (following the consultation period and Government's consideration of responses).</p> <p>In the meantime, work can be progressed on improving systems to achieve better joint appraisal of projects within the overall programme; developing an effective investment planning approach, within existing structures of accountability.</p>	Dependent on SNR consultation outcomes
5. Ability to vire resources across different disciplines	<p>This 'ask' requires agreement from Government Departments (and Agencies), given that there may be a risk that the virement of resources will have a knock-on effect on a Department's PSA target in any given year.</p>	<p>This 'ask' will need to form part of the MAA, and will need to be brokered by CLG.</p> <p>However the virement of funds is linked to the above point and is therefore to some extent dependent on wider SNR outcomes.</p>	<p>Dependent on SNR consultation outcomes</p> <p>To be included in MAA</p>
6. Ability to re-profile the sequencing of individual projects	As above.	As above.	As above

MAA 'Ask'	Rationale & Progress to Date	Next Steps	Status
7. Support for flexible governance arrangements	The confirmation of the Tees Valley as both an MAA 'pilot' and an LAA/MAA Demonstrator Project has demonstrated support at a National level for the City Region's intentions. At a City Region level, there has been significant commitment from both the public and private sector to the new arrangements, which will be formally constituted from July 2008.	The Board and supporting structures will be further developed over the coming months.	Being progressed by City Region
8. Duty for national and regional agencies to participate in the MAA	Unlike LAAs, this 'ask' is not related to a duty to take part in the process, as MAAs are voluntary, but rather a duty to be part of, and a commitment to, the agreed freedoms and flexibilities for a greater range of partners, including the new Homes and Communities Agency, Highways Agency and Network Rail. In addition, this 'ask' will also look to retain a proportion of any efficiencies gained from the MAA within the City Region, rather than be subsumed within the relevant agency.	The ask is in part dependent on the outcomes of SNR implementation discussions, but is it also reliant on the commitment from a range of Whitehall Departments, and their Agencies, so will need to form part of the MAA to enable CLG to negotiate these commitments.	To be included in MAA
9. Tees Valley Unlimited to become a statutory consultee	This 'ask' was seen as deliverable in the short term by the Minister for the North East, but there needs to be an agreed mechanism for this to happen formally.	Discussions to take place with CLG to determine the agreed mechanisms for achieving the 'ask'.	City Region to take forward with CLG
10. 'Buy in' across Government	It is crucial that Government Departments and Agencies recognise the need to view delivery of key projects as a whole programme, rather than simply as a series of funding silos.	CLG is leading MAA negotiations across Whitehall, however critical to much of the buy-in and the flexibilities to flow from commitments will, again, be dependant on SNR outcomes.	To be a fundamental understanding of co-signatories to the MAA
11. Common appraisal system,	The 'ask' is that all funding partners agree to use a common appraisal system, whilst recognising that	Joint work on developing a common Project Handling Framework is now complete.	To be included in MAA

MAA 'Ask'	Rationale & Progress to Date	Next Steps	Status
based on HMT Green Book	there will be individual Departmental requirements on benefits and outcomes that will still be required and will need to be reflected in the process.	Following agreement to the new system with ONE, we would wish to pursue this with other Government Departments, through CLG.	
12. Streamlined approach to performance monitoring	The current MAA proposition has seven indicators, five of which are linked to LAA indicators that are likely to feature in the 35 LAA indicators to be agreed with Government, and five of which link directly to regional outcome indicators.	No significant objection has been raised to these proposals so it is proposed they are included in the MAA. Continued development by City Region and ONE.	Details on indicators to be used to be included in MAA

Appendix G

Technical Notes

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 1 – Enhanced Delegation to the Region and City Region

1. INTRODUCTION

1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind one of the 12 key ‘asks’ that were set out at the start of the MAA process and have been included within the draft Agreement. These ‘asks’ are:

- Enhanced delegation to the region and the city region, in line with the Review of Sub National Economic Development and Regeneration (SNR);
- Certainty of funding over a longer time period to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to reprofile the sequencing of individual projects;
- A duty for national and regional agencies to co-operate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury (HMT) Green Book, by all funding partners.

1.2 This note has been prepared following detailed discussions with One NorthEast (ONE) during the early part of 2008 and further to meetings with representatives of Communities and Local Government (CLG) and Government Office North East (GONE) over the same time period.

1.3 This note covers the issue of **enhanced delegation**, and should be read in conjunction with the “Multi-Area Agreement: Draft No 6” (Tees Valley Unlimited, April 2008) and with the other four technical notes that have been produced.

1.4 The draft note is commended to all relevant parties for comment, in order to move forward with the development of the MAA within the timescale envisaged by the Government and the Tees Valley.

2. THE MULTI-AREA AGREEMENT

- 2.1 The MAA is an agreement with the five Tees Valley Authorities and Government to deliver capital projects in the following funding streams to implement the place-making elements of the City Region Business Case. They are:
- a) The place-making funding stream from ONE (regeneration/culture/tourism);
 - b) Funding for the Tees Valley Bus Network Improvements major scheme from the Department for Transport (DfT) through the Regional Funding Allocation (RFA), plus the Tees Valley Metro (with significant funding from Network Rail) and any resources from the Highways Agency and private sector developers for improvements to the strategic road network;
 - c) Housing Market Renewal (HMR) funding from the Regional Housing Board and CLG and funding through the Housing Growth Initiative from DCLG. This funding will be transferred to the Homes and Communities Agency (HACA) in 2009.

3. CURRENT DELEGATION ARRANGEMENTS FOR HOUSING, TRANSPORT AND REGENERATION

- 3.1 The arrangements for dealing with funding for housing and transport projects already result in a great deal of delegation. The Regional Housing Board receives an allocation from CLG for its Strategic Housing Investment Programme, of which two thirds is prescribed by CLG with the remaining one third at the discretion of the Region. Each sub-region submits a business plan or a programme based on a strategic assessment of its needs and a negotiation takes place on the programme and the Regional Housing Board decides on allocations. It is then left to Tees Valley Living (the Tees Valley Authorities' housing board) to co-ordinate, manage and monitor the implementation of the programme and for the Local Authorities and registered social landlords to implement the projects.
- 3.2 Similar arrangements exist in relation to HMR and Housing Growth Point funds. In the case of Housing Market Renewal funds, Tees Valley Living (TVL) submits a programme and business plan to CLG. CLG agrees the resources and the outcomes and TVL then co-ordinates the management and implementation of the programmes with Local Authorities and other partners. In the case of the Growth Point Initiative, a Delivery Plan is produced and similar arrangements apply. We would expect similar arrangements to apply when the HACA takes over these funding streams.
- 3.3 In the transport field, Local Authorities submit a Local Transport Plan (LTP) on a five yearly basis to the DfT and the Department specifies a level of funding. The agreed LTP funding is then spent against a defined set of schemes and the progress towards these schemes reported on a bi-annual basis. Major

capital schemes (over £5 million) go through the Regional Transport Board who, during RFA process, make recommendations based on the strategic transport priorities of the Region on which projects should be included in a 10 year programme. The DfT then approves the programme with or without amendments. If a scheme is included within the RFA, the Local Authority (or Scheme Sponsor) develops a business case for the project and submits it to DfT for approval. So, in the case of the Tees Valley Bus Network Improvements major scheme, the resources were approved at Regional level with an allocation of £40 million (out of a project total of just over £60 million), and the final business case was put to DfT for approval in February 2008.

3.4 In the case of the regeneration funding stream for ONE, the process is as follows:

- The broad strategic framework for the programme is reflected in ONE's Corporate Plan, which recognises the City Region Investment Plan (and successor documents) as the basis for developing and delivering key priorities;
- Individual bids are submitted to individual ONE budget holders for approval based on the strategic fit with criteria for specific budgets; and
- Project approval then requires a business case to be prepared and submitted back to ONE within the following delegated limits: £2.5 million to Chief Executive, £2.5 - £10 million to the ONE Board, £10 million to the Central Policy Review Group (CPRG) and £20 million to HMT.

3.5 It should be noted that a project of over £10 million Single Programme funding can take up to a year to be approved through the CPRG process. Also, the current arrangements do not allow for an agreed and detailed programme at a sub-regional level, but relies on the approval of individual projects.

3.6 The added value of a programme approach is that:

- a) The programme can be seen as an integrated coordinated programme across the Tees Valley aimed at achieving high level Regional Economic Strategy or PSA targets/Departmental Strategic Objectives targets rather than a collection of individual projects which may achieve individual funding stream targets but may not necessarily contribute to other higher level targets;
- b) Projects often cross funding streams and sometimes can achieve the high level strategic outcomes but may not necessarily satisfy narrow funding stream targets – the programme approach ensures projects are looked at in a holistic way in terms of their contribution to the economic development of the area;

- c) Private sector partners want to know that regeneration and transport funds are joined up – the programme approach makes sure that these key programmes linkages are made.
- 3.7 The added value of a delegated approach is essentially speed of delivery. Most regeneration schemes involve private sector partners. Of critical interest to the private sector is the ability for fast, speedy decisions. If the process of obtaining approval becomes hierarchical, that is, Local, Regional and National Government, and takes a year for schemes of a relatively low value in private sector investment terms, then the private sector are less willing to work with the public sector, since long decision making times lead to uncertainty, risk and extra costs in terms of delay. The uncertainty of decision making also leads to overprogramming.

4. THE SUB NATIONAL REVIEW

- 4.1 The SNR supports the concept of programme rather than project management and of delegation to Local Authorities. Para 6.48 states:

“the Government will work with the RDAs to reform the management of their spending so that it is based on long term programmes focussed on achieving agreed outcome targets, rather than funding for individual projects, giving greater certainty and flexibility to local authorities and others. The Government will therefore expect the RDAs to delegate responsibility for spending to local authorities or sub regions wherever possible, unless there is a clear case for retaining spending at the regional level. The Government will also seek to ensure that local authorities have a similar level of certainty in their relationship with the new homes agency. These reforms will allow local authorities to plan further ahead and put them in a better position to make the long term investments necessary to improve performance in their localities.”

- 4.2 Para 6.71 adds:

“the Government will expect the RDAs to delegate delivery responsibilities where possible, unless there are clear reasons for not doing so. This should be possible in particular for sub regions which represent functional economic areas and which have the capacity to manage large projects, provided decision making structures are in place which allows effective prioritisation of investments.”

- 4.3 Para 6.115 states:

“Consistent with the more strategic approach which the Government envisages for the RDAs, and a greater role for local authorities and sub-regions in economic development, the Government will work with the RDAs to move to a programme-based approach to management of the RDA single programme budget, rather than a project-based approach. This will require the RDAs to be clear about overall strategy but then to give far greater autonomy to local authorities and sub-regions in the allocation and

management of spending. This would give greater certainty for other partners as well as improving efficiency.”

4.4 Para 6.116 states:

“The extent of delegation of responsibility for spending will need to depend on capacity at lower spatial levels. Where the RDAs can be confident that there are structures in place which will ensure rigorous appraisal and prioritisation the Government will expect delegation of funding should be greater than in places where this is not the case. As set out in paragraph 6.71, scope for further devolution of spending should also be greater where sub-regions have clear sub-regional plans, analytical capacity, and resources to manage project implementation effectively.”

4.5 The consultation paper, “Prosperous Places: Taking Forward the Review of Sub National Economic Development and Regeneration”, published in March 2008, takes forward the main document, expanding on the key themes. It makes clear in para 3.7 that:

“RDAs will delegate their single pot funding where appropriate, for spending or promoting economic growth and regeneration on a programme, rather than project basis.”

4.6 Para 3.8 adds that RDAs:

“should identify investment activities and policy interventions best delivered sub-regionally or locally. RDAs will then commission delivery from partners and delegate, where appropriate, associated decision-making and funding to local authorities and sub-regions for investment in line with the regional strategy.”

4.7 There is a recognition that legislation is required to amend the RDA Act to allow delegation to take place. Quite rightly the consultation paper stresses in para 3.11 that in delegation of decision-making and resources RDAs will need to be satisfied that there is a clear rationale for the proposed spending and that expected outcomes are clearly identified for delegated funds. Delegation will need to be set within financial and value for money frameworks. We would envisage that the MAA would set out the basis for this rationale.

4.8 Para 3.12 of the SNR stresses that in the interim pending amendments to the RDA Act:

“the Government has made it clear that RDAs should explore, within the current legislative constraints, how greater flexibility can be given to local authorities to meet agreed outcomes, whilst ensuring that appropriate accountability and value for money requirements are in place.”

In the light of this we have produced two delegation frameworks, one under the current legislation and one after the change in the Act.

5. DELEGATION BEFORE THE CHANGES TO THE RDA ACT

- 5.1 ONE is working closely with the Tees Valley to look at how delegation could take place in the current legislative framework, particularly in terms of an investment planning approach to agree strategic priorities as a basis for programme delegation. In developing the process proposed in the MAA, we have followed as a model the arrangements for transport and housing projects.
- 5.2 There are five key principles in the delegation process. They are:
- a) Negotiation of the programme on the basis of strategic fit with policy. Programme appraisal is essentially about strategic fit with policy and setting out the resources required and the outcomes procured by the programme. It is an integrated, strategic investment plan for the Tees Valley;
 - b) Approval of individual projects which make up the programme. Once a project is accepted into the programme, there will be joint development between ONE and Partners of a full business case which can secure the commitment of resources. The approval process should be concerned with means of implementation, value for money and delivery outcomes. It should not be concerned with policy matters which should be resolved at the programme stage;
 - c) The decision making process needs to be transparent;
 - d) ONE will remain accountable to Government for Single Programme investment on individual projects by approving the business case; and
 - e) There are robust procedures in place for monitoring the implementation of the project.
- 5.3 In line with the development of the new Integrated Regional Strategy, and within the investment planning framework, with clear criteria and outcomes set by ONE, the process proposed in the MAA is as follows:
- a) The Tees Valley Authorities submit a Single Programme Delivery Plan for the next five years setting out a regeneration programme for the Tees Valley based on a City Region Business Case and supporting Investment Plan. It will set out the strategic rationale of the programme and the outcomes of the programme including matching funding. For projects due to be implemented in years 1 and 2, a gantt chart indicating a timescale for delivery will be included;
 - b) The programme is then negotiated with ONE. ONE should primarily be concerned with the strategic fit of the project complete with clear and deliverable outcomes, indicative resources and performance management arrangements. On completion of the negotiation, ONE would then issue a letter of approval in principle for the programme

complete with the agreed outcomes, resources and monitoring arrangements;

- c) ONE will work jointly on the development and preparation of business cases with Partners on an agreed basis appropriate for individual projects;
- d) Once a business case is prepared the final business case for consideration by the Head of Teams and the Board is signed off jointly by the Officer from ONE responsible for the project and the appropriate Senior Officer within the Tees Valley Authorities or the Joint Strategy Unit (JSU);
- e) On consideration of the business case by ONE, a representative from the Tees Valley is present;
- f) An approval letter for the project is issued by ONE;
- g) The Project Sponsor is responsible for implementation and for producing quarterly monitoring reports to the MAA Programme Group;
- h) The Tees Valley JSU will produce quarterly and annual monitoring reports on the programme to ONE and the Tees Valley Unlimited Executive;
- i) The programme would be rolled forward annually and thoroughly reviewed and evaluated every three years.

6. DELEGATION AFTER THE CHANGE IN THE RDA ACT

- 6.1 The following paragraphs illustrate our current thinking on how the arrangements would operate following changes to the RDA Act, although we recognise that the actual process may need to be reviewed following the amendment that received approval.
- 6.2 Following Royal Assent, a schedule attached to the MAA will set out the delegation procedures between ONE and the accountable body.
- 6.3 Procedures a) to c) above would be the same. Above the delegated limit, the process would be the same as above. Below the delegated limit, the business case would be considered by the Tees Valley Unlimited Programme Group. ONE would be consulted on the business case and any comments reported to the Programme Group.
- 6.4 Any decision would be referred to ONE for ONE to consider over 10 working days whether or not it wished further work to be carried out to deal with any concerns. ONE has the right at this stage to challenge any final project approval in exceptional circumstances.
- 6.5 Tees Valley Unlimited would issue the approval letter and be responsible for monitoring and reporting to ONE on the implementation of the programme.

- 6.6 Quarterly and annual monitoring reports would be provided as under the previous option. ONE would audit on an agreed and selective basis the quality of appraisals and business cases and make recommendations for any improvements.

7. THE ADDED VALUE OF DELEGATION

- 7.1 For the past seven years the Tees Valley Authorities and the Tees Valley JSU have been working in partnership with ONE to deliver a £24 million regeneration programme for the Tees Valley. Successive audits have shown that there is the capacity and systems in place to manage and monitor the programme and to develop and implement the projects in the programme.
- 7.2 Nevertheless there is room for improving skills and under the Regional Improvement and Efficiency Programme, £100,000 has been allocated for this year to develop the capacity of the Local Authorities and Partners to deliver the MAA in areas such as project development, project management and working with the private sector. In addition, the senior management of the JSU has been strengthened to undertake this role and the Unit is being re-organised to implement the MAA and to reflect the proposed processes outlined above.

8. HOMES AND COMMUNITIES AGENCY

- 8.1 From 2009, the HACA will take over responsibility from CLG for the HMR and Housing Growth Point Initiative budgets in the MAA. Already ONE and the HACA are considering how they can work together. We would envisage the process to be similar to the processes set out in this Note, and seek confirmation from Government that this is the case.

9. ADVANTAGES TO GOVERNMENT DEPARTMENTS OF DELEGATION

- 9.1 The advantages to Government departments of delegation are:
- a) The programme approach shows a strategic fit with Regional/National policy and ensures that the programme put forward is properly prioritised with clear outcomes, and contribution to PSA targets and DSO obligations;
 - b) The speed of delivery and implementation is improved. Adding extra stages to the appraisal process adds time to the appraisal process and hence slows down delivery and adds cost to the project. Lengthy decision making processes create uncertainty and extra cost to the private sector and therefore can be a major barrier to involving the private sector in regeneration projects. Longer project approval processes leads to greater overprogramming. Provided a robust appraisal process is in place, then there is no reason why delegation cannot take place to provide speedy, effective decisions that have been properly assessed for value for money;

- c) Both ONE and the Local Authorities have the capability to deliver. ONE was the joint highest performing Regional Development Agency in the National Audit Office's recent inspection and all five Tees Valley Authorities are 4* authorities. The MAA provides a mechanism to ensure the risk of non-delivery is reduced;
- d) Decision making is delegated closer to the community. In the case of regeneration or housing projects, the Local Authorities know better about the needs of their communities and the projects necessary to meet those needs. It provides with the flexibility to design projects which are tailored to meet the needs of its residents and businesses rather than a centrally designed blueprint. In this way projects can contribute more effectively to national PSA targets and DSO obligations.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 2 – Certainty of Funding

1. INTRODUCTION

1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind one of the twelve key ‘asks’ that were set out at the start of the MAA process and that have been included within the draft Agreement. These ‘asks’ are:

- Enhanced delegation to the Region and the City Region, in line with the Review of Sub-National Economic Development (SNR);
- Certainty of funding over a longer time period to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
- A duty for national and regional agencies to participate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury (HMT) Green Book, by all funding partners.

1.2 This note has been prepared following detailed discussions with One NorthEast (ONE) during the early part of 2008 and further to meetings with representatives of Communities and Local Government (CLG) and Government Office North East (GONE) over the same time period.

1.3 This note covers the issue of increased **certainty of funding**, and should be read in conjunction with the “Multi-Area Agreement: Draft No 6” (Tees Valley Unlimited, April 2008) and with the other four technical notes that have been produced.

1.4 The draft note is commended to all relevant parties for comment, in order to move forward with the development of the MAA within the timescale envisaged by the Government and the Tees Valley.

2. THE DRAFT MAA 'ASK'

- 2.1 Given that the MAA consists of the main capital funding streams, there is a need to look at a longer agreement on funding – the suggestion is currently for 5 (or 3 + 2) years, with an annual or bi-annual review.
- 2.2 The draft MAA 'ask' seeks to provide such increased certainty of funding for those projects included within the proposed MAA funding streams, mainly relating to regeneration (place), housing and transport.
- 2.3 CLG has stated that HMT would allow any Government Department to agree funding over any length of time with a Region or City Region, but that any "overhang" relating to the current Comprehensive Spending Review (CSR) period will be at the department's own risk.

3. POLICY CONTEXT

- 3.1 The Government's spending plans and priorities generally cover three year time periods, and the 2007 CSR set these out for the period between 2008/09 and 2010/11. Appendix D to 2007 CSR sets out:
 - Departmental Expenditure Limits (DELs) for the above time period;
 - Departmental Strategic Objectives (DSOs) and priorities for investment and reform; and
 - Key elements of the departments' plans for delivering better value for money over the CSR time period.
- 3.2 In terms of the departments primarily involved in the proposed MAA, these elements are set out for CLG, the Department for Transport (DfT) and the Department for Business, Enterprise and Regulatory Reform (BERR), as well as the Regional Development Agencies.
- 3.3 As noted above, these settlement figures and DSOs drive the funding awarded by each of the departments over the relevant CSR period, in a variety of ways.
- 3.4 For example, CLG has provided an indication of Housing Market Renewal (HMR) resources that will be provided to the Tees Valley over the next three years, in response to the business case presented in October 2007.
- 3.5 ONE has developed its three year Corporate Plan that sets out how it intends to use the resources allocated across the Region to support and meet its strategic objectives. The 'Place' element of this funding is of particular relevance to this MAA proposals, and is the subject of ongoing negotiations with ONE.

- 3.6 Once an individual project is approved, ONE will give an indicative commitment to fund this project if its completion falls beyond the current CSR period. However, no such arrangement currently exists at a programme level.
- 3.7 However, in transport, a slightly different approach is adopted. Local Authorities (and Passenger Transport Executives where established) submit a five year Local Transport Plan (LTP) – the current one covering the period from April 2006 to March 2011. In the December 2005 funding settlement, all Authorities were given a three year funding commitment for this time period, which a two year indicative settlement, confirmed in December 2007 after the 2007 CSR was published. There is also a “reward” element to the settlement, based on performance in delivery.
- 3.8 In terms of major local transport schemes (in excess of £5 million capital cost), these were prioritised across each English Region in January 2006 as part of the Regional Funding Allocation (RFA) exercise. The indicative funding against which schemes were prioritised in this exercise was over a period up until March 2016, well beyond even the current CSR settlement.
- 3.9 Finally, both the Highways Agency and Network Rail's forward investment plans cover a significantly longer time period than the three years of a given CSR period. Network Rail is currently negotiating with the DfT a funding settlement for the period between April 2009 and March 2014.
- 3.10 The DfT is currently consulting on strategic interventions to include in its forward programme over both this period and the following five year period up to March 2019, in advance of a White Paper to be published later in 2008.
- 3.11 The reasoning behind these extended commitments seems to be the considerable length of time it takes to develop major transport infrastructure projects, which is reasonable. However, given that our MAA is predominantly made up of other large scale capital projects of which transport is a significant part, to view and operate the delivery of our interventions as a programme requires a longer period of funding certainty.

4. ISSUES STILL TO BE RESOLVED

- 4.1 Based on the approach now being taken to major transport schemes, and in view of the number of capital projects within our forward programme that will take longer than three years to deliver, a five year indicative funding settlement for the other elements of our MAA, namely, the housing and regeneration (place) elements, is required. The City Region is currently trying to negotiate the latter with ONE in terms of a Single Programme Delivery Plan, and the former can be developed relatively quickly for housing, based on anticipated continuation of the HMR programme and the planned acceleration of housing set out in the Housing Growth Point bid.
- 4.2 However, it is acknowledged that this approach may be difficult or not possible for some departments, since, as far as we are aware, HMT would

allow individual departments to agree funding over any length of time with a Region or City Region, but that any “overhang” relating to the current CSR period will be at the department’s own risk. We understand that this may be the barrier to providing an allocation for a longer period of time at a programme level.

- 4.3 The issue here is whether a negotiation with HMT would allow such an “overhang” to be in place, but with reduced risk to the department concerned as part of the Government’s commitment MAA.
- 4.4 An alternative in the shorter term may be to adopt the approach taken by the DfT with LTPs, that is to provide a guaranteed three year settlement, with a two year indicative settlement following on. This could be reviewed on a bi-annual basis, allowing a five year rolling funding programme to be agreed, in line with subsequent CSR periods, which better suits a large scale capital programme of investment.

5. BENEFITS OF AGREEING TO THE ‘ASK’

- 5.1 The key benefit will be one of enhancing timely delivery of the main projects, since a greater degree of certainty will allow more projects to be brought forward for business case development earlier. One of the primary reasons given by the Local Authorities for a perceived lack of detailed development work under the current arrangements is that much of this work would be “at risk” as project delivery lies beyond the existing three year funding commitments.
- 5.2 The longer term commitments for transport has resulted in a number of schemes being brought forward at an early stage in the City Region that are not due to implementation until after 2011.
- 5.3 Greater certainty will also reduce the current instances of overprogramming within the Delivery Plan, as this is ordinarily built into the plan to account for relatively short commitments and uncertainty beyond the defined time period. Overprogramming can then be perceived as lack of delivery as projects inevitably slip within the programme.
- 5.4 Certainty of delivery should also bring forward greater private sector leverage, as out discussions to date with the private sector representatives of Tees Valley Unlimited suggests that this is one of the two most significant barriers to investment. Again, as with transport schemes, and particularly the Highways Agency Area Action Plan, the objectives of setting out longer term plans for investment with defined public sector commitments are being met, with the resultant increase in private sector leverage, helped by an accelerated delivery timescale.
- 5.5 Finally, it provides longer term financial planning benefits for all parties, especially as the MAA is not expected to include any significant “reward” funding at this stage. This would be particularly beneficial for Government

Departments, and their need to show not only spend as programmed, but also need to maximise the return on such expenditure.

6. NEXT STEPS

- 6.1 There needs to be formal discussions with the Government Departments most involved in the MAA, that is, CLG, BERR and DfT, based on this Technical Note, to discuss in the first instance whether the departments concerned would be willing to enter into such an agreement. This could be facilitated by GONE or CLG.
- 6.2 There is also likely to be a need to take any agreed proposals to HMT to obtain approval for the new arrangements, and to facilitate any additional agreements required with individual departments in relation to the possible two year “overhang”.
- 6.3 Following this, a revised ‘ask’ or statement for the MAA may need to be drafted to ensure that the agreed mechanism is in place over the lifetime of the delivery programme.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 3 – Virement and Re-Profiling of Resources

1. INTRODUCTION

1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind one of the twelve key ‘asks’ that were set out at the start of the MAA process and that have been included within the draft Agreement. These ‘asks’ are:

- Enhanced delegation to the Region and the City Region, in line with the Review of Sub-National Economic Development (SNR);
- Certainty of funding over a longer time period to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
- A duty for national and regional agencies to participate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury (HMT) Green Book, by all funding partners.

1.2 This note has been prepared following detailed discussions with One NorthEast (ONE) during the early part of 2008 and further to meetings with representatives of Communities and Local Government (CLG) and Government Office North East (GONE) over the same time period.

1.3 This note covers the issue of the ability to **vire and re-profile resources**, and should be read in conjunction with the “Multi-Area Agreement: Draft No 6” (Tees Valley Unlimited, April 2008) and with the other four technical notes that have been produced.

1.4 The draft note is commended to all relevant parties for comment, in order to move forward with the development of the MAA within the timescale envisaged by the Government and the Tees Valley.

2. THE DRAFT MAA 'ASK'

- 2.1 This 'ask' requires agreement from Government Departments (and Agencies) to allow the Tees Valley City Region to vire resources between different disciplines in any financial year in order to better manage the programme and/or to reflect changing priorities. This can be done without recourse to a re-appraisal of the project by the relevant funding partner(s).
- 2.2 The draft MAA 'ask' also seeks to allow the Tees Valley City Region to re-profile the funding associated with a project of up to 25% of the project value or the total MAA spend in any given year.
- 2.3 There may be a risk, however, that the virement or re-profiling of resources will have a knock-on effect on a Department's Public Service Agreement (PSA) target and/or Departmental Strategic Objective (DSO) in any given year.

3. POLICY CONTEXT

- 3.1 There is no real overarching policy context in relation to this 'ask', as the current situation regarding virement and re-profiling is dealt with between scheme promoters and individual funding partners. Such flexibility varies widely.
- 3.2 The Regional Funding Allocation (RFA) process undertaken in early 2006 provided the opportunity for the Region to consider viring resources at a programme level between regeneration, transport and housing schemes, but this was not taken advantage of in the North East, as was the case in almost all other regions.
- 3.3 Virement across financial years and projects can be undertaken with all three capital funding streams, but such changes can only take place at the moment within the funding stream concerned, and also are likely to need a degree of additional approval from the funding partner concerned. Depending on the degree of virement or re-profiling suggested, this could even lead to a full re-appraisal of the scheme.
- 3.4 In terms of regeneration, current working arrangements with ONE allow the City Region to vire and re-profile within much smaller limits to aid project delivery.
- 3.5 In both housing and transport, where Regional boards exist, there is the facility again for virement and re-profiling, although this is seldom used, other than in the case where projects are being delayed. Such an approval would generally require a submission to the relevant board, however, as departments would require Regional approval in advance of any agreement to virement and re-profiling.

- 3.6 The ability to vire resources between the different capital elements proposed in the MAA does not exist at present, nor is there a threshold below which re-profiling is at the discretion of the City Region.

4. ISSUES STILL TO BE RESOLVED

- 4.1 The fundamental issue relating to virement remains whether individual funding partners would be prepared to allow what is perceived as “their” money being spent in a particular financial year on another scheme outside the partners’ remit. For example, would CLG accept funding granted for housing market renewal being spent on a rail scheme, even if there was a guarantee of repayment the following year?
- 4.2 In terms of re-profiling, the outstanding issue is whether a funding partner would be willing to allow up to 25% of the total funds for a project (which may be up to 100% of the funds provided by a particular partner) to be brought forward or put back in the programme without prior approval, and irrespective of any impact on the overall spend profile of the funding partners. For example, would the Department for Transport (DfT) accept the City Region moving up to £15 million of funding for the major bus scheme into a subsequent year if that was what was considered best for the City Region?
- 4.3 In both cases, the further issue to be resolved is how does virement and re-profiling affect a Department’s PSA target (or targets) in any given year. Although the overall MAA programme should deliver projects more efficiently and allow the PSAs and indeed DSOs to be achieved, there may need to be a relaxation on the assessment of a one year return to, maybe, a three or five year trajectory, to take account of any virement or re-profiling.
- 4.4 Finally, effective virement and re-profiling only works to its full extent in line with the ‘ask’ on increased funding certainty described in Technical Note No 2. The only way that moving money between funding partners and project is likely to be acceptable will be if there is a guarantee that funding will be replaced the following year. Without a longer term funding certainty, this would not be possible to the same extent. To work effectively, there may also be a need to review the rules governing some funding sources, such as EU funding, and their flexibilities.

5. BENEFITS OF AGREEING TO THE ‘ASK’

- 5.1 The overall benefit to Government is better programme management, and reduced risk that projects will be delayed, and that the achievement of set targets (PSAs) and DSOs will be compromised as a result.
- 5.2 There are numerous past examples of funding being available towards the end of a particular financial year which has either been lost completely or diverted onto a project that guarantees complete spend, rather than being used to either bring another project in the overall programme forward, or to re-profile, so that the return on that investment is maximised. The move towards

a smaller number of larger scale projects within the single programme element of the MAA could increase the risk of being seen to be unable to spend effectively in any given financial year without the requested flexibility on virement.

- 5.3 As with increased funding certainty, virement and re-profiling should also reduce the current instances of overprogramming within the delivery plan, as this is ordinarily built into the plan to account for past performance and project delays. Overprogramming can then be perceived as lack of delivery as projects inevitably slip within the programme.
- 5.4 Re-profiling will be of particular benefit in encouraging private sector investment, as this is viewed as the second of the two biggest barriers to such investment. For example, if a private sector investor brings forward a proposal, and we could either vire, re-profile or both to develop and deliver a supporting intervention such as a transport scheme, there is greater likelihood of that investment being secured than if the rigidity of the programme meant that the supporting intervention could not be delivered for a further period of time, or if a significant delay would be incurred whilst a re-appraisal was prepared for the funding partner concerned.

6. NEXT STEPS

- 6.1 There needs to be formal discussions with the Government Departments most involved in the MAA, that is, CLG, Department for Business, Enterprise and Regulatory Reform and DfT, as well as any other agencies likely to be involved in the MAA, based on this Technical Note, to discuss in the first instance whether the funding partners concerned would be willing to enter into such an agreement. Given the likely departments and agencies involved, this could be facilitated by GONE or CLG.
- 6.2 There is also likely to be a need to take any agreed proposals to HMT to obtain approval for the new arrangements, and to facilitate any revised agreements relating to the annual review of performance against PSAs and DSOs.
- 6.3 Following this, a revised 'ask' or statement for the MAA may need to be drafted to ensure that the agreed mechanism is in place over the lifetime of the delivery programme.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 4 – Duty to Participate

1. INTRODUCTION

1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind one of the twelve key ‘asks’ that were set out at the start of the MAA process and that have been included within the draft Agreement. These ‘asks’ are:

- Enhanced delegation to the Region and the City Region, in line with the Review of Sub-National Economic Development (SNR);
- Certainty of funding over a longer time period to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
- A duty for national and regional agencies to participate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury (HMT) Green Book, by all funding partners.

An additional Technical Note has been prepared to address the issue of risk and risk management in relation to the proposed MAA.

1.2 This Note has been prepared following detailed discussions with One NorthEast (ONE) during the first three months of 2008, and further to meetings with representatives of Communities and Local Government (CLG) and Government Office North East (GONE) over the same time period.

1.3 This Note covers the **duty to participate**, and should be read in conjunction with the “Proposal for a Multi-Area Agreement: Draft No 4” (Tees Valley Unlimited, March 2008) and with the other five Technical Notes that have been produced.

1.4 This draft Note is commended to all relevant parties for comment, in order to move forward with the development of the MAA within the timescale envisaged by both the Government and Tees Valley.

2. THE DRAFT MAA 'ASK'

- 2.1 Unlike Local Area Agreements (LAAs), this 'ask' is not related to a duty to take part in the process, as MAAs are voluntary, but rather a duty to be part of, and a commitment to the agreed freedoms and flexibilities for a greater range of partners, including the new Homes and Communities Agency, Highways Agency and Network Rail.
- 2.2 In addition, this 'ask' will also look to retain a proportion of any efficiencies gained from the MAA within the City Region, rather than be subsumed within the relevant agency. In the draft MAA, we propose a pain/gain share arrangement with Government.
- 2.3 If projects increase in cost, we would be expected to fund the additional expenditure, or adjust the programme accordingly. However, if we were to lever in more private sector funding as anticipated, or we were to work more efficiently with partners through scheme delivery, we would hope that a proportion of the funding 'saved' would be retained within the Tees Valley for use within the City Region.

3. POLICY CONTEXT

- 3.1 The current policy on LAAs places a duty on certain partner agencies and organisations to co-operate with the preparation of an LAA. Similarly, more recent guidance on the framework for LAAs has identified a number of different funding streams that are to be included within the LAA. However, as MAAs are voluntary, there are no similar positions within current policy.
- 3.2 We believe that this is appropriate, and ensures that all key local delivery partners (and appropriate funding streams) are bound into the process. However, with an MAA such as ours, larger capital projects will inevitably involve larger agencies and different funding regimes, many of which have a national, rather than local, perspective.
- 3.3 For example, in transport, both the Highways Agency and Network Rail have national programmes for network enhancement and maintenance over which the City Region has little direct influence. Both the Highways Agency's Targeted Programme of Improvements (TPI) and Network Rail's response to the High Level Output Specification (HLOS) and their Strategic Business Plan have schemes highlighted within them that are of benefit to the City Region and are a fundamental part of the City Region Transport Strategy.
- 3.4 As these are national programmes, however, in both cases, decisions on the timing and level of funding made available, and even the eventual delivery of the scheme itself, can be made without any reference to the City Region. Clearly where such decisions will have a significant impact on the delivery of

our City Region Business Case and the MAA targets, it would seem logical to develop a mechanism whereby the City Region can at least be partially involved in such discussions at an early stage.

- 3.5 In addition, there may be opportunities for the City Region to add value to schemes either already in the forward programme of such organisations, or where investment decisions are being considered, as well as the possibility of providing economies of scale in scheme delivery where there is an overlap with other work on a particular project.

4. ISSUES STILL TO BE RESOLVED

- 4.1 The issue of national agencies being given a duty to participate within the MAA process has been raised throughout the MAA development, and some examples have been provided. At this point, however, no formal approach has been made to any of the national agencies likely to be involved in the MAA, either by the City Region, or through GONE.
- 4.2 It would appear that the significant issue to overcome would be the agreement to a mechanism whereby the City Region could play an active role in determining and management improvements within the Tees Valley that are part of a national programme when the agencies involved have a national focus, and may not necessarily be set up to engage on such a Regional or City Regional basis.

5. BENEFITS OF AGREEING TO THE 'ASK'

- 5.1 Many of the national agencies likely to be involved in the MAA are already playing an active role within the delivery of the City Region Business Case, and, in the case of both the Highways Agency and Network Rail, are involved as partners in developing business cases for proposals that will quantify the likely benefits of the 'ask' by bringing forward and adding value to proposals already within their forward plans.
- 5.2 For example, the development of an innovative rail-based solution for the City Region includes discussions with Network Rail on how a large scale re-signalling proposal, currently planned for 2017, may be brought forward within the programme as part of the implementation of the proposed Tees Valley Metro in 2011/12. Bringing forward the scheme will not only save outturn costs on construction-related inflation, but will also provide economies of scale with regard to less possessions of the network, compensation to train operating companies and reduced set-up and contract management costs.
- 5.3 Once complete, this work will then be compared with the ongoing work on rail gauge enhancements for the Northern Ports, being led by Northern Way, to examine further synergies and cost savings where required works on the network can be combined into a single contract and project.
- 5.4 Work with the Highways Agency in the next few months will concentrate on taking forward our proposals to better manage the network through the use of

Intelligent Transport Systems up to 2011, establishing whether the Agency can use external communications systems (such as those owned by Virgin Media and Sky) to serve the planned network, rather than having to provide dedicated facilities along the whole length of the trunk road network in the Tees Valley.

- 5.5 In both cases, we are unable to quantify the likely savings of the approaches suggested at the present time, but would hope to be in a position to do so by the time of finalising the MAA in June. We would also hope, however, that the continued involvement of both agencies within the development of the projects themselves is demonstrating the benefit of the 'ask', and how this can then be translated into the delivery and operational phases of the projects.
- 5.6 Similarly, we are not in a position to quantify the benefits to the new Homes and Communities Agency, both due to the time over which the new agency has been operational, and also the relative uncertainty over the status of the City Region's bid for a housing growth point at this stage. Should the bid be successful, we will seek to engage with the Agency during the development of a more detailed action plan in the same manner as for the transport projects described above. We would anticipate that this process would identify some clear and quantifiable benefits of the Agency participating in the MAA, as per the current 'ask'.

6. NEXT STEPS

- 6.1 There needs to be a formal approach to the national agencies likely to be involved in the MAA, based on this Technical Note, to discuss a mechanism for their involvement and how the benefits of the 'ask' can be realised. Given the likely agencies involved, this could be facilitated by GONE or CLG.
- 6.2 Following this, a revised 'ask' or statement for the MAA may need to be drafted to ensure that the agreed mechanism is in place over the lifetime of the delivery programme.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 5 – Common Appraisal System

1. INTRODUCTION

1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind one of the twelve key ‘asks’ that were set out at the start of the MAA process and that have been included within the draft Agreement. These ‘asks’ are:

- Enhanced delegation to the Region and the City Region, in line with the Review of Sub-National Economic Development (SNR);
- Certainty of funding over a longer time period to reflect the bias towards large scale transformational capital projects within our proposed MAA;
- Flexibility to vire resources across different disciplines and the ability to re-profile the sequencing of individual projects;
- A duty for national and regional agencies to participate with the MAA; and
- Development and use of a common appraisal system, based on the HM Treasury (HMT) Green Book, by all funding partners.

1.2 This note has been prepared following detailed discussions with One NorthEast (ONE) during the early part of 2008 and further to meetings with representatives of Communities and Local Government (CLG) and Government Office North East (GONE) over the same time period.

1.3 This note covers the use of a **common appraisal system**, and should be read in conjunction with the “Multi-Area Agreement: Draft No 6” (Tees Valley Unlimited, April 2008) and with the other four technical notes that have been produced.

1.4 The draft note is commended to all relevant parties for comment, in order to move forward with the development of the MAA within the timescale envisaged by the Government and the Tees Valley.

2. THE DRAFT MAA ‘ASK’

2.1 The ‘ask’ is that all funding partners agree to use a common appraisal system, whilst recognising that there will be individual departmental requirements on

benefits and outcomes that will still be required and will need to be reflected in the process.

- 2.2 The 'ask' primarily seeks to streamline the appraisal process and recognise that increasingly, our spatial priorities, if they are to be delivered in a co-ordinated manner that maximises the benefits and impacts, will rely less on single funding sources, but are likely to be funded by a number of partners, all gaining a greater return on investment due to the co-ordinated approach.

3. POLICY CONTEXT

- 3.1 At present, individual Government departments generally seek business cases for investment decisions based on an approach tailored to the department's specific needs and goals.
- 3.2 For example, the recently submitted business case for Housing Market Renewal concentrated on the projected demolition and build rates for housing stock within the City Region, and the need to relate this to national targets.
- 3.3 The corresponding business case for major improvements to the City Region's bus network follows the DfT's New Approach to Appraisal (NATA), and, whilst considering accessibility and economic impacts in a mainly qualitative fashion, includes an assessment of the benefit : cost ratio of the proposals, fed principally by the journey time savings to all users.
- 3.4 As the City Region has taken a holistic approach to the Business Case, seeing our spatial priorities as encompassing elements of place, housing and transport rather than a series of individual projects, the current appraisal system and process does not sit well with the way in which these projects have been developed and will be delivered.

4. ISSUES STILL TO BE RESOLVED

- 4.1 Although individual Government departments are aware of this issue, preliminary discussions with the various parties has indicated that we are unlikely to be able to agree a completely common appraisal process that meets the needs of all departments. There is, however, an acceptance that if the starting point for all appraisal processes currently in operation is the HMT Green Book, there may be a framework that can be agreed which allows flexibility for individual departments to include their own particular requests.
- 4.2 Using the new project handling framework developed for ONE to take account of multi-disciplinary projects, we have refined the framework to provide an initial draft for discussion with other funding partners that will be part of the MAA. This draft has been provided separately.
- 4.3 Although we recognise that the framework still needs further work, we believe that it shows the possibility that a common appraisal system can be

developed for use in the future, recognising the needs of individual funding partners through the various appendices suggested. The use of such appendices also provides flexibility for the framework to be used should the coverage of the MAA be widened in the future.

5. BENEFITS OF AGREEING TO THE 'ASK'

- 5.1 The need to develop separate business cases to individual Government departments for elements of the same project or spatial priority clearly adds unnecessary time and cost to the development part of the delivery process. It also means that, should the other MAA 'asks' on virement and re-profiling be granted, there will be a need to consider the impacts of these decisions for each individual department, which will itself reduce the effectiveness and benefits of the other 'asks'.
- 5.2 Determining how much time could be saved across the programme is a matter of speculation rather than any detailed analysis, and indeed the time savings themselves may actually be small, as often funding bids are prepared in parallel for different departments.
- 5.3 The real benefit should come in the saving of development costs, as there will be a resource saving in preparing one principal business case and project handling framework to cover all projects within the MAA, with Officers being trained to use this framework for all projects.

6. NEXT STEPS

- 6.1 There needs to be a formal approach to the funding partners who will be contributing to projects included within the MAA, based on this Technical Note, to discuss the draft framework that has been prepared, and agree any amendments that would be necessary for the various funding partners to be satisfied that the suggested approach would work in practice. Given the likely partners involved, this could be facilitated by GONE or CLG.
- 6.2 Following this, a revised 'ask' or statement for the MAA may need to be drafted to ensure that the agreed appraisal process is in place over the lifetime of the delivery programme.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 6 – The Contribution of the MAA to Sustainability

1. INTRODUCTION

- 1.1 This technical note is intended as a supplement to the Multi Area Agreement (MAA) for the Tees Valley. It sets out the relationship of the Tees Valley City Region Business Case, and the Multi Area Agreement to the Government's sustainability agenda.

2. THE CONTRIBUTION OF THE ECONOMY TO SUSTAINABILITY

- 2.1 Approximately 41% of the North East's CO2 emissions derive from Redcar and Cleveland and Stockton on Tees, largely because of the petrochemical/energy industry in the Tees Valley which is of a world class standing. The opportunities for growing the Tees Valley Economy are in these critical industries. The challenge therefore is to enable the economy to grow whilst at the same time try to reduce carbon emissions.
- 2.2 It is important to recognise that the industry itself is looking to significantly reduce CO2 emissions for economic reasons. For example, £70 million is being invested by SABIC in refurbishing and expanding the Cracker and this will reduce CO2 emissions. The Teesside Power Station provides 3% of the UK's electricity from gas turbines. Some of the old gas turbines will be replaced by 4 new 300 megawatt gas turbines and two new 340 megawatt steam turbines. This £500m upgrade will result in a 40% reduction in oxides of nitrogen emissions using less water, improved power generation fuel efficiency by producing the same amount of electricity from less natural gas with a consequent reduction in CO2 emissions per unit of electricity produced.
- 2.3 The Tees Valley is now seen as a very attractive location for large small energy production.
- 2.4 The £60m decision by SembCorp to replace one of the boilers at the former ICI power plant with a new biomass fed (wood burning) boiler now means that both short rotation coppice (SRC), which will comprise 20% of the 300,000 te/year feedstock, and waste wood (40%) are being grown, harvested and collected, benefiting local farmers and the waste industry. This decision by SembCorp was driven by the ability to save on (high cost) use of fossil fuels, plus the opportunity to take advantage of ROCS, and an initial capital grant

(£10m) of lottery funds. It also provides certainty for farmers of a market for SRC and energy generators not having certainty of supply of wood fuel. It is a major and significant investment involving the recycling of 73,000 tons per annum of carbon dioxide. As such, it makes a major contribution to reducing green house gas emissions and is creating logistics business via transporting wood. UK Wood Recycling Ltd, who provide the collection now operate the largest dedicated wood recycling facility in the UK at Wilton. More material is available than is used by SembCorp – which opens up other use possibilities. A further large scale (1000MW) plant is being considered at Cargo Fleet. Whilst the SembCorp decision was not essentially driven by location (although the favourable growing conditions for SRC in the region helped) the geography and geology of Tees Valley are proving to be key factors in attracting large-scale green energy power plants.

- 2.5 Progressive Energy Ltd is currently designing a £1 billion 800MW power plant that will use an integrated gasification combined cycle process to utilise coal/pet coke as feedstock, producing in the process, both carbon monoxide and 40 tonnes/hr of hydrogen. The intention is to use the hydrogen in the syngas to feed a high efficiency gas turbine and then use exhaust heat to power steam turbines in a standard combined cycle configuration. The carbon monoxide can be reacted with steam to produce carbon dioxide (5m tons per annum) which can be extracted (captured) and taken for use in enhancing oil extraction from wells in the North Sea. For every 1 tonne of CO₂ injected up to 4 barrels of oil are released that would otherwise be irrecoverable. That not only prolongs the life of North Sea oil by 15 – 20 years but helps cover the CO₂ capture costs. The storage of CO₂ in the permeable strata beneath the impermeable sea bed of the North Sea is seen by the government, in the 2007 Energy White Paper, as offering a real contribution to reducing greenhouse gas emissions. Much of the technology is well developed and coal is relatively abundant and cheap, but sequestration is commercially not yet proven. In theory all the European production of CO₂ for the next 400 years could be absorbed under the North Sea. While that is highly unlikely it does include the potential that exists.
- 2.6 River access is also attracting interest from at least two power generators intending to use imported waste wood chips/pellets or other biomass as a feedstock. With large quantities of saw mill and tree waste available then use of such biomass fuel as an alternative to fossil fuels is attractive, but only likely to be commercially viable on a large-scale. A site fronting the river on the south side has been identified for one of the possible developments. If the resultant CO₂ could be captured for enhanced oil recovery then such a proposal would not be just carbon neutral but would 'remove' carbon. At least one further biomass plant is being considered north of the river.
- 2.7 Whilst green energy production is certainly the objective, in terms of developing a low carbon economy, Tees Valley continues to be attractive to 'conventional' energy producers. At North Tees PX have announced an intention to build a gas fired 1000 MW power plant (the Thor Project) and Phillips are looking to build a similar sized plant. They would both be

configured as CHP plants. One of the main drivers of these developments is the CATS network terminal on the north bank, together with the new Accelerate LPG terminal and the possibility of a further LPG terminal proposed by Phillips.

- 2.8 South of the river, advanced planning is underway on a £2.0 billion heavy oil upgrader that will take much of the heavy oils remaining in the North Sea and refine it in a specially designed stainless steel refinery. Until oil prices reached current levels the economics of recovering, moving and refining very high viscosity and sulphurous oils was uneconomic. The plan, if constructed, will produce 8m tons of CO₂ per annum (compared to the 5m tons per annum from Progressive Energy plant) which again could be captured for sequestration. It will also produce hydrogen and asphaltenes (bitumen). The latter could potentially be an input to the Progressive Energy plant.
- 2.9 The Tees Valley is now a leading location for the production of biofuels. The £45 m Biofuels Corporation Plan recently built at Seal Sands is the largest bio diesel plant in Europe. In addition, Ensus are constructing Europe's largest bioethanol plant at Wilton (a £250m investment) and another three companies have announced plans for bioethanol plants. All of these plants will use wheat as a feedstock. 35% of the 2 million tons of wheat grown within a 30 mile radius of the Tees Valley could eventually be used for biofuels, reinforced by imports coming through Teesport.
- 2.10 Reinforcing the Tees Valley's position as the leading innovation of biofuels is a proposal to construct an oil seed crusher plant. A £47 million investment, the plan will only be the third in the UK and by far the most modern and efficient.
- 2.11 The residual by products from wheat distillation have a high calorific value as feedstock for biomass power production. ONE is looking at the possibility of a biorefinery in the area. There is the possibility of producing an integrated biofuel/energy industry in the Tees Valley.
- 2.12 There is also an emerging opportunity to develop energy from waste plants. At South Tees, Graphite Resources are acquiring land to construct an autoclave that will put municipal and commercial waste through a high temperature steam process which results in biomass with a high calorific value and clean metals and plastics. The intention is to offer adjacent sites to businesses that would utilise these waste streams to form an Ecopark.
- 2.13 There are also various other potential projects for turning waste into energy, and for developing the hydrogen economy in the Tees Valley.

- 2.14 The Tees Valley has seen investment by SABIC in a new polyethylene plant and a major refurbishment of the cracker. New plants are built to the highest environmental standards and the improvements to the cracker will result in efficiencies which reduce CO2 emissions.
- 2.15 To support the development of the renewable energy industry and particularly the low carbon economy, two organisations have been created; the Centre for Process Innovation and Renew Tees Valley. The Centre for Process Innovation's role is to take science and research from universities and translate this research into new products. The Centre contains the National Industrial Biotechnology Facility which can develop biotechnology manufacturing processes. It also possesses a hydrogen fuel cell facility and is playing a leading role in the development of the hydrogen economy using hydrogen as a fuel source. The Centre has already created the world's first hydrogen powered lighthouse at Teesmouth and is developing a mobile hydrogen fuel station and developing the process of fuel production from biomass.
- 2.16 Renew Tees Valley was set up by Redcar and Cleveland Borough Council with funding from One NorthEast to promote the Tees Valley as a UK centre for renewable energy and waste management technologies leading to new economy activity. The organisation helps to make recycling and renewable energy projects happen in the Tees Valley by providing specialist help to businesses. It also tries to link the potential for renewable energy into the regeneration projects in the Tees Valley. Renew Tees Valley will shortly become a daughter company of the Centre for Process Innovation.
- 2.17 The development of the Tees Valley economy will in the future be based on the development of the low carbon economy/renewable energy industry. There is therefore the potential for the Tees Valley to benefit both from the growth of the sector but also the practical environmental benefits of the project.

3. THE CONTRIBUTION OF THE LOW CARBON ECONOMY TO THE REGENERATION OF THE AREA

- 3.1 The various power stations and chemical plants in the Tees Valley all produce as a bi-product – heat and steam. Already steam from a plant in Billingham is used commercially to grow tomatoes. Located close to these plants are some of the most deprived communities in the Tees Valley. Through Renew Tees Valley we intend to identify how steam and heat generated by these plants could be used to heat houses and help tackle fuel poverty in the long term.

3.2 Tees Valley Regeneration are responsible for developing the Middlehaven site in the centre of Middlesbrough. The Urban Regeneration Company aims to make the Middlehaven development carbon neutral through the use of combined heat and power and other building techniques.

3.3 The Tees Valley Housing Growth Point Bid proposes a 20% increase in the construction of new houses in the Tees Valley over the next 10 years. As part of this work we will investigate how we can build ecotown principles into our new developments. We will use the expertise of Renew Tees Valley, the Centre for Process Innovation and Tees Valley Regeneration to help us. We will identify how we can work with the private sector to develop an Energy Supply Company to develop and manage a series of combined heat and power developments for new housing areas. The delivery plan produced for the Housing Growth Point Initiative will set out our programme for achieving these goals.

4. HOW THE SPATIAL STRATEGY AND TRANSPORT CONTRIBUTE TO SUSTAINABILITY

4.1 A key element of the City Region Business Case is to reduce the spatial polarisation between the poorer inner areas of the major towns by directing regeneration projects, housing market renewal programmes and new housing growth to these areas to create more sustainable communities. The four main Tees Valley regeneration projects – Middlehaven, Victoria Harbour, North Shore and Central Park will bring jobs and houses into the inner areas. The three main regeneration initiatives: Darlington Gateway, Coastal Arc and the Stockton/Middlesbrough Initiative will do the same. The majority of new housing will be concentrated on brownfield land in the heart of our major towns.

4.2 This spatial pattern of concentration is sustainable for the following reasons:

- a) It halts the outmigration to peripheral Greenfield sites from the inner areas which exacerbates the social polarisation between the older parts of our main towns and new suburbs;
- b) It provides modern housing suitable for the 21st century close to town centres. Coupled with job creation in these areas and investment in schools and facilities it helps to provide more sustainable communities;
- c) It lessens the need to use the car and encourages the use of cycling, walking and public transport for journeys to work, school and shop. It also makes the public transport system economically viable by concentrating developments in the existing urban areas;

- d) New stations – Middlehaven, The Ings, Teesside Park, East Darlington, Victoria Harbour will be provided in major new housing and regeneration projects as part of the Metro project.
- 4.3 The development of public transport is critical to reducing the use of the car. The Bus Network Improvement Project will increase bus patronage by 10% over the next decade several years of decline. The Tees Valley Metro will provide a fast alternative to the car reducing journey times by 40%. Coupled with the provision of park and ride at key suburban stations such as Nunthorpe, communities will be encouraged to travel to the central of the conurbation by train rather than the car.
- 4.4 The Darlington Local Motion experiment has also shown that measures to give residents smarter choices – better information on bus services, bus priority measures, walking to school initiatives, cycle lanes etc, can reduce car trips by 9%. We intend to extend the experiment to the whole of the Tees Valley.
- 4.5 On a national scale, the construction of the Northern Gateway Container Terminal at Teesport will divert traffic destined for the north from southern ports. Evidence submitted as part of the Northern Gateway Container Terminal planning application indicates that a container destined for the north through Teesport will save on average 116 lorry miles compared to a container travelling north to Felixstowe. Given the traffic expected through the Northern Gateway this will save 72 million lorry miles by 2020 thereby reducing congestion in the SE.
- 4.6 The work on the Tees Valley Metro will also provide 20% extra freight paths to Teesport for freight. It is intended that 20% of all traffic through the Northern Gateway project will be by rail. A programme of gauge enhancement to enable 10 container trains a day to travel to Scotland, Manchester and the West Midlands is being developed with Network Rail and the Northern Way.
- 4.7 Finally, a key part of our programme is the Tees Valley Green Infrastructure Strategy. This strategy provides many benefits including:
- An enhanced environmental setting that will provide the image of the Tees Valley as a high quality place to live, walk, invest and visit
 - Maintaining and enhancing biodiversity and helping to reverse habitat fragmentation by improving movement between sites
 - A contribution to environmental sustainability through opportunities for improved flood risk management, air and water quality

- Better opportunities for sport, exercise, active regeneration and improved health
- Opportunities for connecting communities
- Opportunities to recreate or restore landscapes, open spaces, historical sites and habitats damaged by development

An allocation of £1m/year from 2009 has been agreed in principle with ONE for this programme and we will work with the new Homes and Communities Agency on a similar programme for housing areas.

5. CONCLUSION

5.1 The programme set out in the Multi Area Agreement will contribute to sustainability by:

- Using the low carbon economy/renewable energy economy and its potential for growth to help provide more sustainable ways of providing for the national energy needs through carbon dioxide sequestration, energy from waste, biofuels and the development of the hydrogen economy
- Developing a carbon neutral approach to new housing development through the bringing together the work of Tees Valley Regeneration, Renew Tees Valley through the Housing Growth Bid Delivery Plan
- Encouraging greater use of public transport through the bus network improvement project, the Metro and smarter choices initiatives
- Concentrating new development in our towns and suburbs and developing new stations in areas of growth
- Reducing national lorry movements from the SE to the north through the Northern Gateway Container Terminal proposals;
- Encouraging greater use of rail for container traffic through a gauge enhancement programme
- A green infrastructure strategy and programme for the Tees Valley

5.2 It is for these reasons we have developed a CO2 emissions indicator as one of our key targets.

Title Tees Valley Multi-Area Agreement

Date

May 2008

Subject Technical Note No 7 – Performance Indicators and Targets

1. INTRODUCTION

- 1.1 This Technical Note is intended as a supplement to the Multi-Area Agreement (MAA) for the Tees Valley, setting out in more detail the reasoning behind the choice of MAA indicator and the rationale for the targets that have been set. It also details those indicators where local indicators are being proposed, the rationale and the timescales for developing baselines and targets.

2. BACKGROUND

- 2.1 TVU's central, long term aim lies in stimulating and promoting the economic regeneration of the sub-region. It is agreed that this is appropriately represented by the Gross Value Added - the GVA - but that the GVA is influenced by many forces well beyond TVU's impact on the sub-region's economy. Nevertheless, it is appropriate to specify a target for GVA, given its importance as a measure of the economy. Thus, it is proposed to have a target for the sub-region's GVA, ambitious in nature, but practical and linked with the other Tees Valley MAA targets. The proposed targets for the remaining six suggested MAA indicators are to be set with this significant improvement in GVA in mind.

- 2.2 This note considers the seven indicators in two categories:

- **National Indicators** – for four MAA indicators, M2 (new business registrations) M3 (benefits), M4 (employment rate) and M6 (net additional homes), the appropriate national indicator will be used and proposals for targets are set out.
- **Local Indicators** – for three indicators, M1 (GVA), M5 (Road Network Reliability) and M7 (CO2 Emissions), local indicators have been defined to address the particular circumstances within Tees Valley and to measure the impacts of the proposed interventions. Appropriate data is not yet available; for these, the rationale for the indicator, the method and timetable for obtaining the data, devising a measure and setting a target is described.

- 2.3 The process for devising these targets has taken account of the following principles:

- account is taken of recent trends in the data for each indicator

- the continuation of these trends into the future forms the starting point for setting targets – these future trends represent the situation with no MAA
- much of Tees Valley Unlimited's work is aimed at providing the background and infrastructure for facilitating and accelerating the sub-region's development, rather than directly affecting the indicators. For example the development of business space will not in itself create jobs but will provide the environment where businesses can locate and grow and will therefore indirectly create jobs. Thus, the MAA targets are associated with creating the conditions to achieve the impacts, coordinating, managing and accelerating change.
- because much of its investment will take many years to have its full impact, TVU's underlying commitment and aims, and the MAA's targets, cover a ten-year period of significant improvement in the sub-region's economy
- as much of the investment is associated with infrastructure and could take three years, or even more, to have an impact; the proposed targets for some indicators are set to reflect little change by year 3
- the indicators are linked together, as has been shown by the 'causal chains'; thus, this is starting to be taken into account in ensuring that there is coherence between the indicators and between their targets, including that for the GVA – this will be developed further
- MAA/LAA complementarity is achieved by linking MAA targets to the boroughs' LAA targets, where appropriate; necessarily LAA targets are for three years, and none cover GVA, overall economic performance or the longer, ten-year term
- as far as possible, the targets are set in terms of narrowing the 'gap' between the Tees Valley's performance and the national figures. This enables account to be taken in changes in national circumstances.
- the targets generally refer to the latest information available at the time that performance is monitored and its implications considered, or linked to the National Indicator timeframes, where applicable; thus, for the GVA, the most recent data covers 2005, and refers to the 'reference year' of 2008
- the differences between the future trend and the MAA targets represent the influence and impact of Tees Valley Unlimited

3. DETAIL BEHIND EACH TARGET

3.1 This section details the reasoning behind the proposed targets (or the proposed method for devising the targets) for each of the suggested MAA

indicators. The change in the indicator relative to the regional and national figures in recent years was fully considered to ensure that the targets are realistic and based on reliable evidence.

M1 – Gross Value Added per Capita

- 3.2 It is anticipated that the recent upward trend in GVA from the 2002/2003 low of an indexed figure of 75 (i.e. 75% of the UK average) will continue for a few years. However, this trend is too short-lived to be confident that it will continue for many years. It is felt that, without intervention, this increase is likely to cease within 3-5 years.

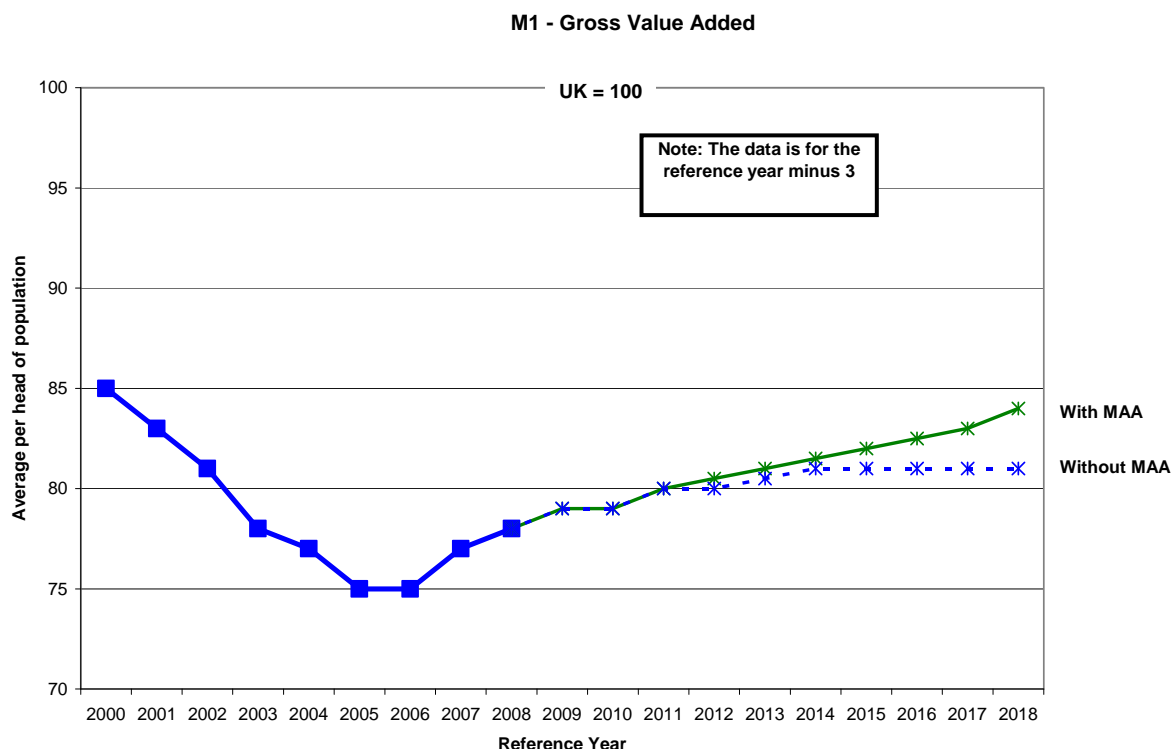
M1 Headline **Gross Value Added** GVA, average per head of population

Reference Year.....	2000	2001	2002	2003	2004	2005	2006	2007	2008
Data for.....	1997	1998	1999	2000	2001	2002	2003	2004	2005
Tees Valley	85	83	81	78	77	75	75	77	78
North East	81	80	79	79	79	79	79	80	81
United Kingdom	100	100	100	100	100	100	100	100	100

Indexed UK=100 (Adjusted)

Source: ONS

- 3.3 The following diagram illustrates the GVA projections with and without the MAA.



- 3.4 In many areas, Tees Valley Unlimited's work and influence will take between two and five years to have a significant impact. For example, it will take up to 12 months to develop business space and it is unlikely to achieve full occupation before a further 18 months after completion. Therefore the impact of this type of intervention in terms of employment would only start to be realised after 2 and a half years from the start of activity, particularly in today's depressed financial services market. Major investments by the private sector such as the development of port related activity will also take some time to be realised. This impact will counteract a faltering in the upward trend in GVA, especially in years 6-10. Thus, Tees Valley Unlimited's work in stimulating the economy, such as jobs, affecting the employment rate, new business formation and reducing the number of people dependent on benefits will sustain the upward trend. The targets set for GVA that can be achieved with the MAA will result in a rise in the index to 84% for 2018 (the 2015 figure). The annual and longer term targets are as follows: Year 1 79%, Year 2 79%, Year 3 80%; year 5 81%; and year 10 84%.
- 3.5 The Regional Economic Strategy set a regional target of reaching 90% for GVA by 2016. The Tees Valley MAA target of 84% by 2018 may seem unambitious in comparison to the regional target. However, if the regional target were being set today it is unlikely that it would be set as high as 90%. Recent work undertaken by NERIP (the North East Regional Information Partnership) suggests that on current trends and with current economic conditions it is now unrealistic to see GVA at 90% within the region by 2016.

M2 – New Business Registration Rate (NI 171)

- 3.6 The new business registration rate as measured by NI 171 is the appropriate indicator to use to demonstrate the impact that the Tees Valley Unlimited's interventions will have in helping to stimulate and increase the rate of new business formation in Tees Valley. Primarily this will be achieved through creating the right environment for businesses to establish and grow through the provision of appropriate business premises, a reliable road network and longer term through the metro a greater choice of public transport and a housing offer that is appealing to a broad range of occupants.
- 3.7 The national data set for this indicator is currently being broadened to include PAYE information as well as VAT registration data and will present a more accurate picture of business formation. New baseline data is expected to be released nationally in October 2008 and will be used to identify targets for year 2 onwards as part of the Annual Refresh. Therefore, this indicator is currently a placeholder indicator within the MAA.

M3 – People on Out of Work Benefits (NI 152)

M3 Percentage of Working Age People on Out-of-Work Benefits.

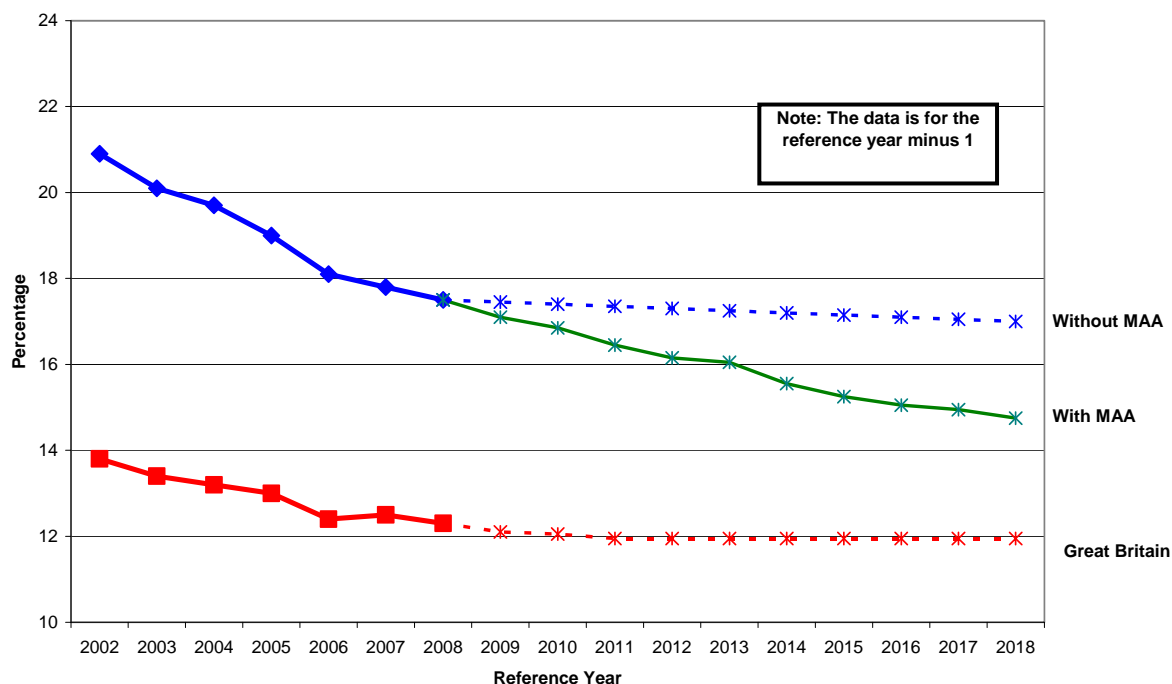
Reference Year...	2001/2	2002/3	2003/4	2004/5	2005/6	2006/7	2007/8
Data for.....	2000/1	2001/2	2002/3	2003/4	2004/5	2005/6	2006/7
Tees Valley	20.9	20.1	19.7	19.0	18.1	17.8	17.5
North East	20.1	19.6	19.1	18.4	17.6	16.9	16.6
Great Britain	13.8	13.4	13.2	13.0	12.4	12.5	12.3

(Financial year coverage, i.e: average of four 'snapshots' taken in May, August, November and February)

Source: *Nomis*

- 3.8 Although there are no interventions or funding streams within the MAA which will directly seek to reduce the number of people on out of work benefits it is considered relevant to the MAA. By creating the environment, through capital interventions, where the businesses will chose to locate and grow in the area there will be an indirect impact on the number of jobs available locally. Much activity is already in place through Jobcentre Plus and the Learning and Skills Council to tackle the issues of people on out of work benefits. An increase in the availability of jobs increases the prospects for people on out of work benefits and will therefore have an indirect impact on this indicator. The information shows that the proportion of people receiving these benefits has fallen significantly in recent years for the Tees Valley, regionally and nationally. In tandem with this, the gap between the Tees Valley and national rates has narrowed. However, all of these trends show distinct signs of having 'bottomed out'. The future trend now is for them to stay level or, at most, decrease slowly.

M3 - Working Age Population Receiving Out of Work Benefits



- 3.9 Possibilities for the longer term take account of the fact that it would need 20,400 people to cease receiving these benefits for the Tees Valley to achieve national rates. This contrasts with an equivalent figure of 14,500 increase needed (see next indicator) in the number of residents in employment to completely close the gap on national employment rates. Thus, it would be more realistic to assume that 50% (or about 10,000 people) of the 20,400 gap for those residents receiving benefits would be removed from these benefits over ten years, thus substantially narrowing the gap. This corresponds with narrowing the gap for the employment rate. Thus, we suggest that the gap relative to the national figure is to be halved from 5.2 to 2.6 points over ten years with a slow start. The graph above illustrates what would be achieved with and without the MAA i.e. Year 1, 5.0 higher; Year2, 4.8 higher; Year 3, 4.5 higher; Year 5, 4.1 higher; and Year 10, 2.8 higher.

M4 – Employment Rate (NI 151)

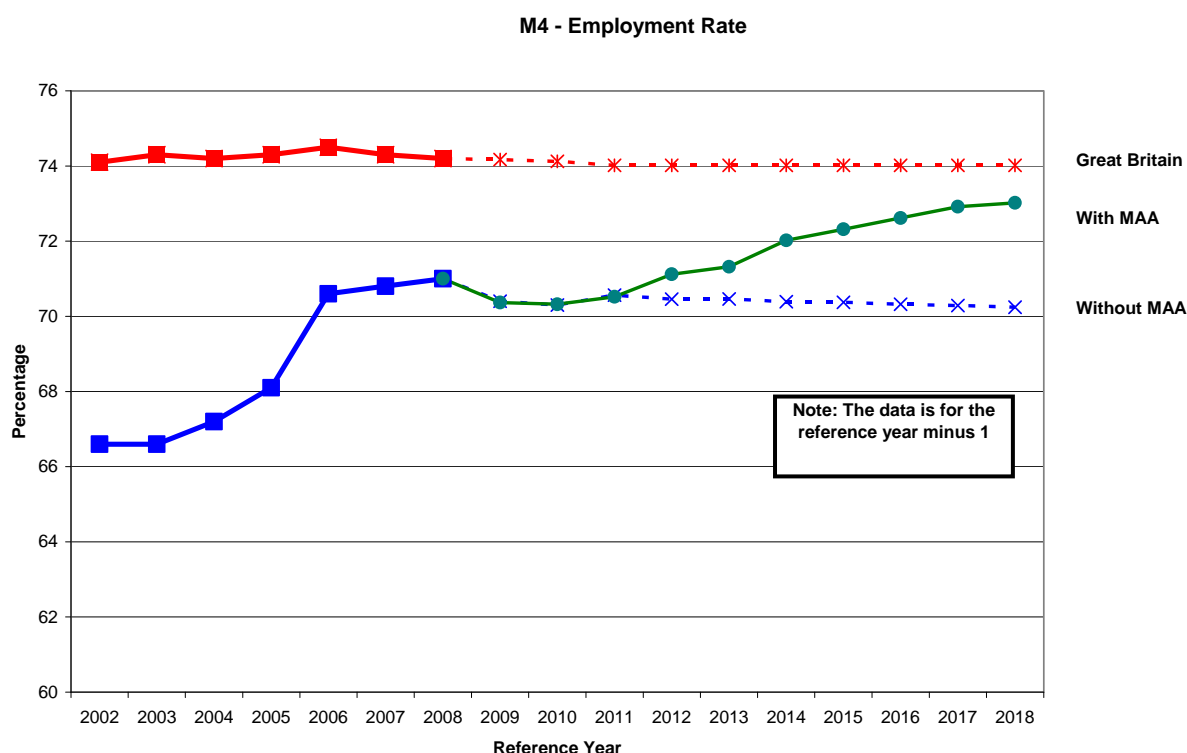
M4 Overall Employment Rates

Reference Year	2001/2	2002/3	2003/4	2004/5	2005/6	2006/7	2007/8
Data for	2000/1	2001/2	2002/3	2003/4	2004/5*	2005/6*	2006/7*
Tees Valley	66.6	66.6	67.2	68.1	70.6	70.8	71.0
North East	68.4	68.4	68.6	68.5	70.3	70.5	71.1
Great Britain	74.1	74.3	74.2	74.3	74.5	74.3	74.2

(Financial year coverage)

Source: Annual LFS except * Annual Population Survey

- 3.10 The capital interventions which will be undertaken through the MAA will have an indirect impact on the overall employment rate and therefore the national indicator NI 151 is an appropriate measure of impact. The Tees Valley employment rate increased significantly in (reference years) 2001/2-2005/6 and has remained essentially constant since then; the national rate has been constant for several years. Consequently, there was a substantial narrowing of the 'gap' up to 2004/5, but there is now no significant trend other than constant rates and no change in the gap for the coming years. Essentially, without intervention, the future trend is no change locally or nationally, i.e. the present 'gap' would remain unchanged.
- 3.11 However, looking to the future the graph below illustrates what would be achieved with and without the MAA.



- 3.12 The target is therefore to reduce the Tees Valley-national gap to 1.0 point over ten years, with half the change in five. This will need a significant increase - 11,000 - in the number of jobs in the Tees Valley to achieve this (it would require 14,500 jobs to completely remove this gap). The regional target is the creation of an additional 70,000 jobs by 2016. This might suggest that the Tees Valley targets are not ambitious enough. However, this indicator is linked to the regional ambitions on GVA which, as referred to earlier, are probably considered to be unrealistic in the current economic climate.
- 3.13 However, we are confident that given the significant job growth prospects particularly in the chemicals and process industries and port related activity in

the next ten years together with the additional jobs that will be created through the regeneration activities within this MAA this will be achieved. The critical factor will be ensuring that local people are able to access as many of the new job opportunities and that there isn't an increase in the number of people going onto out of work benefits. This highlights the interdependencies between the indicators.

- 3.14 However, since a proportion of such new jobs will be taken by non-residents of the Tees Valley, the required number of extra jobs is higher than this. With the present stability in the employment rate and the interval before the impact of Tees Valley Unlimited on employment is felt, significant change is only likely from Year 3 onwards. This gives the gap as Year 1, 3.8; Year 2, 3.8; Year 3, 3.5; Year 5, 2.7; and Year 10, 1.0. The indicator could be stretched if further direct interventions and funding streams were brought into the MAA at a later date.

M5 – Reliability of Strategic Road Network (Local Indicator)

- 3.15 The central need of the City Region's core businesses, which rely increasing on a "just in time" approach (and, in terms of the chemicals sector, related to health and safety policy) is that the transport network is reliable, particularly in relation to journey times. Whilst congestion is prevalent in the Tees Valley at peak times, on the trunk road network and on some urban radials, this congestion is often short lived and is not of the same degree as other urban centres across the country. Indeed, it may be the case that congestion may increase slightly as development gathers pace. The rationale behind using this indicator is to demonstrate that our planned transport interventions maintain a reliable network that can be used by existing businesses in the Tees Valley as well as being used to market the City Region to expanding businesses of a similar type, in line with our regeneration strategy.
- 3.16 There are already a number of planned transport interventions that will help the City Region achieve a greater degree of control over the management of traffic on the strategic road network than is possible at present. For example the Tees Valley Bus Improvements major scheme will enable traffic signal priority to be introduced and controlled over a much wider area by the enhancement of existing SCOOT systems. This will understandably focus on the network that is in the direct control of the 5 local authorities. However the Highways Agency (HA), which has responsibility for the trunk road network, is also developing a variety of interventions to aid traffic management, particularly at peak times. Based upon experience and trials in other parts of the country, the HA has developed costed proposals (circa £14m) for the introduction of an Active Traffic Management (ATM) system on the very busy section of the A19 between the Parkway and Norton junctions. This type of system typically uses roadside and overhead gantry 'reactive' signing to direct, inform and control the speed of traffic under different prevailing conditions.

- 3.17 The HA is also looking at introducing a system (known as ramp metering) at key junctions whereby the entry of traffic onto the trunk road network is controlled by part-time signals at peak times. The aim of this system is to achieve the maximum through-flow possible by allowing a more efficient merge and diverge arrangement at these key junctions. The HA has identified 7 priority sites for ramp metering across the Tees Valley at an estimated cost of £6.3m. The City Region is currently working closely with the HA to develop an Area Action Plan for the Tees Valley over the next 20 years. The aim of this Plan is to understand the transport impact, across the City Region's transport network, of the widespread regeneration that is planned and agree an appropriate package of interventions that will help mitigate this growth. The ATM and Ramp Metering schemes will play a vital role in this respect and they could also form part of a future bid for Community Infrastructure Funding should the City Region's Growth Point bid be successful.
- 3.18 There is no direct method for assessing this indicator available at present, hence it is suggested that a new method be agreed. The current proposal is to undertake a series of journey time surveys along a series of links on our strategic road network (not just the trunk road network) at peak times, and then calculate the mean and standard deviations of the results for each set of links. The links to be used will be those routes most important to the key industries and our urban centres (where we are also seeking reliability improvements for our bus network). They include:
- A66 between Yarm Road and Cargo Fleet Lane
 - A19 between Norton and The Parkway
 - A174 between the A19 and Greystone's Roundabout
 - A66 around Darlington
 - North Road, Darlington
 - Yarm Road, Stockton
 - Portrack Lane, Stockton
 - Marton Road, Middlesbrough
 - Stockton Road, Hartlepool
- 3.19 The DfT currently makes available ITIS data that considers flow and congestion levels across part of the network, but it is not thought at this time that these data could be used for this indicator. It is proposed to undertake a series of specialist surveys at a neutral time to provide a baseline. The next available opportunities for these surveys would be September/October 2008 and thereafter March – May 2009. These surveys would be repeated on an annual basis and comparisons made with the baseline. In terms of targets, the minimum target would be to maintain the absolute mean journey time and standard deviation for each of the link sets to baseline levels, reflecting that the network is still at least as reliable as previously, even with an increase in

traffic flows. It may be possible to consider a stretched target looking to reduce the absolute mean journey time or standard deviation (or both), but we would only be able to assess this once the baseline information was available.

- 3.20 This has a direct link to PSA5 for the DfT – Reliability of the Strategic Network. Contributory indicators will include those relating to bus and rail patronage, as increasing these will provide more capacity on the highway network and allow journey times to be reduced, or not increase as additional development traffic is loaded onto the network. As these relate to other interventions, separate targets for these have been set when preparing the relevant business cases. There will be some link to the National Indicator on congestion, but we maintain that reliability of the network is the most appropriate indicator for the Tees Valley's economy and forward strategy.

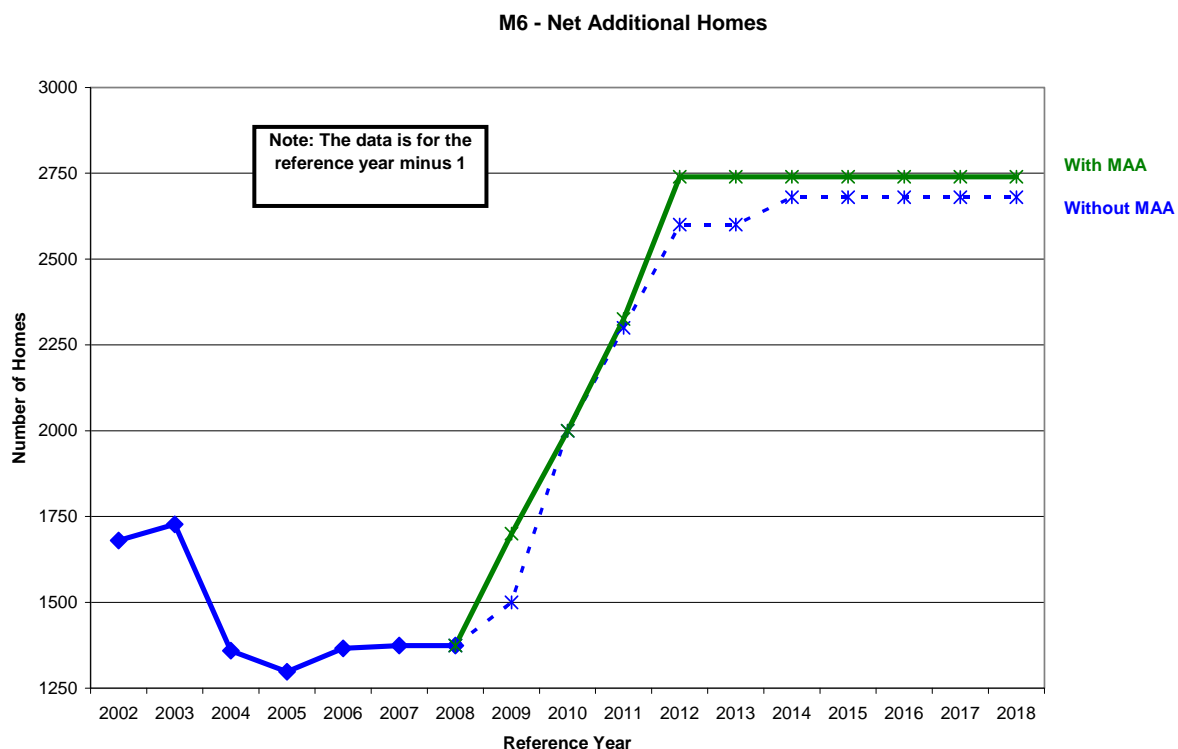
M6 – Net Additional Homes (NI 154)

- 3.21 The number of net additional homes has varied considerably over the last few years, with annual net growth since 2000 varying between 1,300 and 2,050, with an annual average of around 1,550 net additional homes. In the future, this number is set to grow with the direction offered by the RSS. The most recent RSS figures (the Secretary of State's Further Proposed Changes) indicate a total net additional homes for the Tees Valley over 2008-2018 of 21,100, or 5,600 above the trend figure of 15,500. Including the Growth Point bid figures of an extra 20% homes up to 2016, gives a total of 24,400 (3,300 above the RSS figure) over the next ten years. For MAA purposes, it is assumed that the acceleration promised by the Growth Point bid will continue beyond 2016. This gives 25,200 houses over the ten years; this figure, which is nearly 10,000 houses above the trend, represents the ten-year aim for the MAA.
- 3.22 The table below illustrates a notional breakdown of the Tees Valley sub regional housing figures across the five borough areas. It is purely to demonstrate how housing might be delivered across the sub region but will be subject to regular monitoring and may vary. It is in no way intended to be used as borough level targets. The table illustrates the Tees Valley targets both with and without the MAA. The "with MAA" figures are based on the RSS + Housing Growth Point + MAA.

M6 Net Additional Homes with the MAA

	Proportion of New Houses in Tees Valley	Basis	Year 1 (08/09)	Year 2 (09/10)	Year 3 (10/11)	Year 5 (12/13)	Year 10 (17/18)
Darlington	25%	Annual	475	500	550	676	685
		Cumulative	475	975	1,525	2,850	6,305
Hartlepool	15%	Annual	225	300	375	413	411
		Cumulative	225	525	900	1,725	3,780
Middlesbrough	20%	Annual	400	400	400	550	548
		Cumulative	400	800	1,200	2,300	5,040
Redcar & Cleveland	15%	Annual	225	300	375	413	411
		Cumulative	225	525	900	1,725	3,780
Stockton	25%	Annual	375	500	625	688	685
		Cumulative	375	875	1,500	2,875	6,300
Tees Valley	100%	Annual	1,700	2,000	2,325	2,740	2,740
		Cumulative	1,700	3,700	6,025	11,475	25,205
Tees Valley (without MAA)		Annual	1,500	2,000	2,300	2,600	2,680
		Cumulative	1,500	3,500	5,800	11,000	24,400

- 3.23 In terms of the three and five year targets, there has to be a transition before this new higher net housing growth rate can be achieved; also, the present housing market uncertainty is slowing the pace of this increase. Consequently, the proposed three-year target is 6,000, an average of 2,000 per annum. The remaining net growth is 19,200 over 2011-2018, around 2,740 per annum. At this rate, the extra 5,500 net homes in 2011-2013 gives a five-year target of 11,500 net homes.



M7 – Per Capita CO2 Emissions from Industrial Premises (Local Indicator)

- 3.24 NI186, the Government's Global Warming indicator for local authorities, is not appropriate for use in the MAA with its emphasis on developing the economy of the sub-region. Instead, an indicator is being developed which is based on the changes in CO2 emissions by the main industries impacting on the economy. In general, such an indicator has to take account of CO2 emissions growing in proportion to increases in industrial production. Carbon trading schemes such as the EU Emissions Trading Scheme, and steeply increasing energy prices, offer some prospect of breaking this link as better processes are developed and energy efficiency measures take effect. The proposal focuses initially on the larger industries, steelmaking, power generation and the process industries. The targets will be oriented towards the achievement of a reduction in the level of CO2 produced for each 'unit of production'. This means achieving a reduction in the tonnes of CO2 emitted for each tonne of steel made, for each MWH of electricity generated, and so on. The figures on the reductions per unit of production for each industry will be combined, weighted according to the relative sizes of the industries, to give an Indicator of Efficiency in CO2 Emissions, which may then be normalised to 2006 production levels to show actual reductions in CO2 emissions.
- 3.25 At present, the Tees Valley Unlimited is collecting data and methodological information that will enable this indicator to be developed. Reported tonnes of

CO2 are already gathered by the Environmental Agency and for the EU ETS. This will be combined with information about production levels from the main emitters. The timetable for this information becoming available is late 2008, covering those areas of industry involved in the large majority of industrial CO2 emissions. This will enable the Indicator to be calculated, and targets on the level of reduction to be achieved, to be produced by the end of 2008. The Indicator will show the improvement in efficiency of the large industries in reducing CO2 emissions (expressed as an index showing the decline in CO2 emitted per unit of production). This could also be expressed in terms of how many fewer tonnes of CO2 were emitted per annum.

- 3.26 Further work will be carried out after 2008 to add the effect of CO2 savings in less carbon intensive industries and other organisations, including Durham Tees Valley Airport and PD Ports that are not included in NI186.

4. Local Authority LAA Targets

- 4.1 As already described, several of these indicators are amongst the new National Indicators and individual Tees Valley local authorities have some of them amongst their targets. They have been discussed in detail with the local authorities to ensure, where applicable, that the LAA and MAA targets correspond in an appropriate way and are complementary.



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CABINET REPORT

9 June 2008



Report of: Assistant Chief Executive

Subject: ICT PROVISION – FUTURE ARRANGEMENTS

SUMMARY

1. PURPOSE OF REPORT

To report to Members on detailed plans and processes for Phase 2 of the work leading up to the end of the current contract for ICT provision for the authority. The report also provides information on progress to date, including the high level Statement of Requirements (SOR) and 1st stage evaluation of delivery options.

2. SUMMARY OF CONTENTS

In October 2007, a report was agreed by Cabinet which approved the process leading up to the end of the current provision of ICT support to the Council including:

- The need to carry out this programme of work
- The three stage process outlined in that report
- Nominations for Senior Responsible Officer and Programme Manager

A further report was submitted to Cabinet in March 2008 providing the results of Phase 1 of the project.

This report explains the process to be followed during Phase 2, including key decision points when further reports will be submitted to Cabinet for consideration during the year.

The key points to note are:

- A project plan and governance arrangements have been established for Phase 2 of this project.
- A series of reports will be submitted to Cabinet at key stages throughout the year.
- A high level statement of requirements for future ICT support has been developed.

- The various options for delivery of ICT support to the council have been identified and an initial evaluation against the statement of requirements undertaken.
- This evaluation suggests that the number of options to be pursued further be refined.
- The next stage is to carry out further evaluation to consider the options further prior to further decisions.

3. RELEVANCE TO CABINET

Information and Communication Technology falls within the remit of the Portfolio holder for Performance but it impacts across the whole of the authority and failure to address the future requirements adequately will fundamentally affect the authority's ability to provide its services.

4. TYPE OF DECISION

Non-key decision.

5. DECISION MAKING ROUTE

Cabinet on 9th June 2008.

6. DECISION(S) REQUIRED

Cabinet is requested to:

- Note the progress to date on Phase 2 of the project
- Agree to the project governance arrangements and timescales identified in section 3 of the report
- Agree the framework Statement of Requirements (Appendix A) as a strategic statement of what the authority requires from ICT support and as the basis for further more detailed evaluation
- Agree to receive further reports as follows:
 - Detailed SOR, further evaluation of options and detailed criteria for final stage evaluation
 - Final SOR, final stage evaluation, initial recommendation and identification of any other information required to enable final decision to be made on the delivery model to be followed. This is not a decision on a provider.
 - Decision on option to pursue and agreement on process and funding for Phase 3
 - October 2011 – completion of Phase 3. Further detail and financial implications for Phase 3 will be the subject of a future Cabinet report once the outcomes of Phase 2 are known.
- Agree the further evaluation of those options identified in Appendix C and section 7 of the report

Report of: Assistant Chief Executive

Subject ICT PROVISION – FUTURE ARRANGEMENTS

1. PURPOSE OF REPORT

- 1.1 To report to Members on detailed plans and processes for Phase 2 of the work leading up to the end of the current contract for ICT provision for the authority. The report will also provide information on progress to date, including the high level Statement of Requirements (SOR) and 1st stage evaluation of delivery options.

2. BACKGROUND

- 2.1 In October 2007, a report was agreed by Cabinet which approved the process leading up to the end of the current provision of ICT support to the Council.
- 2.2 It was agreed that the process would involve 3 phases which can be summarised as:
- Phase 1 – clarification and evaluation of current arrangements for ICT support
 - Phase 2 – identification and evaluation of options for future delivery
 - Phase 3 – post decision work once the preferred delivery option has been agreed

Phase 1 was completed, and a report agreed by Cabinet in March 2008.

The key points to emerge from Phase 1 were:

- The current arrangement has been operating now for over 6 years and has continued to develop during that time in terms of the number and type of assets supported, the monitoring arrangements in place and the levels of service provided.
- The arrangements have allowed the authority to progress with ICT and user satisfaction has increased despite increased expectations and demands.
- The requirements of the authority have changed since 2001 and continue to do so.
- Any future arrangements need to take into account other Council initiatives such as Business Transformation, Building Schools for the Future and the Efficiency Agenda.

This report outlines the process to be followed for Phase 2.

3. PHASE 2 PLAN AND GOVERNANCE ARRANGEMENTS

3.1 The approach to be taken in undertaking Phase 2 of this programme of work is as follows:

- Clarify the broad principles to underpin any future arrangements
- Consider the scope/type of support required under any future arrangements
- Define the outcomes required from any future arrangements
- Identify the various options for future delivery
- Clarify evaluation criteria (at 3 levels) to match potential delivery options to the authorities requirements
- Evaluate the various options for delivery in 3 stages:
 - 1st stage to reduce options to only include those which are capable of delivering to the Councils requirements
 - 2nd stage to reduce options for detailed evaluation at the 3rd stage
 - 3rd stage to carry out detailed evaluation of shortlisted options
- Identify most appropriate delivery method for development during Phase 3

3.2 The project will consider the whole ICT support requirements of the authority and evaluate all options initially, then focusing on a short list of options identified as most suitable and appropriate for HBC. Consideration will be given to:

- Over-arching principles for any future service delivery
- Services, facilities and assets
- Locations and all clients
- Likely impact of Building Schools for the Future project
- Effect on partner organisations such as Housing Hartlepool
- Stakeholders requirements

3.3 Phase 2 deliverables will be:

- Statement of requirements – high level (May 08)
- Statement of requirements – 2nd stage (June 08)
- Statement of requirements – Final (Nov 08)

At each stage of the statement of requirements, detail will be added in and the Councils requirements will be further refined to allow for more focused evaluation of the options for delivery.

- Options appraisal Part 1 – high level evaluation (May 08)
- Options appraisal Part 2 – to produce shortlist (June 08)
- Options appraisal Part 3 – leading to recommendation (December 08)
- Formal decision (March 09)

It is important to reiterate that at this stage, the evaluation is of the models for delivery, not the providers.

3.4 Project Organisation Structure

3.4.1 The overall organisation structure for the project is defined as follows:

Job Title	Rde / Position		
Assistant Chief Executive	Senior Responsible Officer (SRO)	2011 Strategy / Progress Group	2011 Project Team
Principal Strategy Development Officer (e-gov)	Programme Manager (PM)		
Strategy Development Officer	Lead officer - Stakeholder Communication / Engagement		
ICT Client Support Officer	Lead officer - Technical issues		
To Be Advised	Lead officer - Finance issues		
Chief Solicitor	Lead officer - Legal issues		
ICT Project Support Officer	Research & Support		
Principal Strategy Development Officer	Soft Market Testing		
ICT Steering Group	Departmental input		Stakeholder Board
Cabinet	Decision making body		

3.4.2 Responsibilities

The Senior Responsible Officer (SRO) has the prime responsibility for the project and for ensuring that any remedial actions necessary are implemented. They are responsible for ensuring the project meets its objectives, maintains business focus and is actively managed.

The Project Manager (PM) is responsible for the overall programme management, ensuring the plan is established and clearly understood, highlighting risks, monitoring adherence to the plan, establishing and enforcing governance procedures, maintaining forward movement and escalating any show-stoppers to the SRO. They are responsible for co-ordinating the work of the officers and groups involved, acting as an unblocker when required, and ensuring the necessary links are made.

Other lead officers are responsible for ensuring their areas of work are adequately planned and resourced by providing information and funding estimates to the PM and for establishing whatever processes, sub-groups etc. they feel are necessary to meet the requirements of the project plan. They are also responsible for ensuring their areas of work are progressing adequately and highlighting any concerns with the PM and/or SRO.

3.4.3 Project Controls/Reporting Arrangements

The reporting arrangements are as follow s:

Group	Members	Details
2011 Strategy / Progress Group	Senior Responsible Officer Project Manager Lead officer – stakeholder communication/engagement Lead officer – technical issues	<ul style="list-style-type: none"> • Progress against plan • Identification of concerns • Agreement on next steps • Timely discussions on detail • Overall budget position
2011 Project Team	Project Manager Lead officer – stakeholder communication/engagement Lead officer – technical issues ICT Project Support Officer Lead officer - Finance Lead officer - Legal	<ul style="list-style-type: none"> • Progress against plan • Detail on individual work areas progress/next steps • Ensure links between work areas • Budgetary requirements • Identification of external assistance required
ICT Steering Group	Departmental representatives (AD level)	<ul style="list-style-type: none"> • Information on process • Information on progress to date • Identification of concerns • Clarification of departmental requirements – ensure departmental needs and opinions are taken into account and solution recommended will meet their needs • Agreement on next steps • Provision of support for the project in wider strategic context
CEMT	Service heads from Chief Executives Dept	<ul style="list-style-type: none"> • Information on process • Information on progress to date • Identification of concerns • Agreement on next steps
CMT	Directors from all departments	<ul style="list-style-type: none"> • Information on process • Information on progress to date • Identification of concerns • Agreement on next steps
Cabinet	Elected members	<ul style="list-style-type: none"> • Information on process • Information on progress to date • Agreement on next steps • Decision making body

4. RESOURCE REQUIREMENTS

- 4.1 Staffing resources are being allocated from existing HBC officers and a budget of £150,000 has been identified (for phases 1 and 2) from Departmental Managed Underspend to allow for some backfilling, additional expertise which may be required, benchmarking, fact-finding site visits etc.

Workstream lead officers will identify resource requirements early in the process to allow budget commitments to be identified.

Phase 3 budget requirements will be identified during the course of phase 2.

5. CLARIFICATION OF FUTURE REQUIREMENTS

- 5.1 Progress to date on this project has provided a full picture of the current ICT support and in order to progress successfully to the next stage, consideration needs to be given to future requirements.
- 5.2 With the changing demands on the authority and the increasing rate of development in ICT, it is impossible to be specific in terms of what will be required and/or how support will be provided over the next 5 or 10 years. What is possible, however, is the definition of a broad set of principles and intended outcomes which will be required to underpin any future arrangements, considering the future business needs that ICT will be required to support, including outside influences and the future shape of the authority. Sufficient flexibility also needs to be built into the arrangements to allow for changes to these requirements.
- 5.3 Consideration also needs to be given to ensuring adequate control and resources are maintained within the authority, regardless of the decision that is made on how the service is to be delivered in the future. The responsibility for provision of ICT support and development remains with the authority.
- 5.4 These broad principles provide the Framework Statement of Requirements (attached as **Appendix A**) within which to develop and evaluate the options available. It is important during this stage that the range of available options is considered fully.
- 5.5 The high level requirements of any future ICT support arrangements have been identified as:
- Proven delivery model
 - Outcome based service
 - Professional delivery
 - Forward thinking / innovation
 - Appropriate governance arrangements
 - Flexibility to allow for unknown changes in requirements / legislation etc.
 - Ability to take stakeholder requirements into account
 - Ability to ensure efficient and effective use of resources

6. IDENTIFICATION OF OPTIONS FOR FUTURE DELIVERY

- 6.1 Research has been carried out to identify the range of options open to the authority for the future provision of ICT support
- 6.2 It is important to clarify that, at this stage, consideration is not being given to how the support would be provided (i.e. the organisation) but rather to the type of arrangements that could be put in place. The question of how would deliver the arrangement, and the detail within, will be considered during Phase 3 of the project, following Cabinet's decision on the type of arrangement required.
- 6.3 This research highlighted the complexity of the project, identifying 51 possible models that could potentially be adopted to provide ICT support to the Council. The matrix showing all of these options is given as Appendix B.
- 6.4 There are two key variables in any arrangement:
- Type of provider
 - Delivery arrangements

By combining these two factors it was possible to identify the total number of combinations available to the authority.

The possible types of providers were identified as:

- HBC
- Another local authority (other than HBC)
- A private company
- A Public body such as the Police or PCT
- A voluntary organisation
- A college or university

The possible delivery arrangements were identified as:

- Single Provider
 - HBC providing ICT internally with no other providers involved
 - A single provider from any of the six groups identified above.
- Dual Providers
 - Combination of the 6 types of providers identified above providing the service to HBC.
- Cluster of Providers (3 or more)
 - 3 or more of the 6 types of providers identified above providing the service to HBC

Therefore, calculating the possible combinations gives the following results:

• HBC provides ICT to itself	=	1 combination
• 1 of the 5 types other than HBC provides ICT to HBC as a single provider	=	5 combinations
• 2 of the 6 types provide ICT to HBC as dual providers	=	15 combinations
• 3 of the 6 types provide ICT to HBC as a cluster of providers	=	30 combinations
TOTAL	=	51 COMBINATIONS

6.5 A total of 51 combinations of possible delivery options were identified.

7. FIRST STAGE EVALUATION OF OPTIONS

- 7.1 Section 5 clarifies the high level requirements of HBC for any future ICT provision, and section 6 identifies the various types of arrangements that could be put in place to provide this.
- 7.2 The 2011 Strategy/Progress Group, having agreed the high level requirements, then converted them into specific questions/criteria (both mandatory and desirable) against which each of the models could be evaluated.
- 7.3 Detailed discussions were then held to carry out the evaluation, measuring each option and ascertaining their fit with HBC requirements. This ensured that any options which would not deliver the councils mandatory requirements could be discounted at this stage, allowing resources to be directed towards those options more likely to deliver what is required.
- 7.4 This evaluation was also ratified by the ICT Steering Group to ensure departmental requirements were incorporated.
- 7.5 By evaluating the models against the core criteria identified in the Statement of Requirements, it has been possible to reduce the number of options which are suitable for further investigation.
- 7.6 The detailed results of this evaluation are shown in Appendix C.
- 7.7 By evaluating the options in Section 6 against the above criteria, it has been possible to reduce the number of options, which it is recommended are carried forward to be the subject of further investigation and evaluation.

These are:

- In-house provision by HBC
- Single provider – Private Company
- Single provider – another local authority
- Dual providers – HBC plus another local authority
- Dual providers – HBC plus a private company
- Dual providers – a private company and another local authority
- Cluster of providers – 3 or more private companies
- Cluster of providers – HBC plus 2 or more other local authorities
- Cluster of providers – HBC plus 2 or more private companies
- Cluster of providers – HBC plus a mixture of private companies and other local authorities
- Cluster of providers – mixture of private companies and other local authorities

8. LINKS TO OTHER PROGRAMMES AND POLICIES

8.1 This project cannot be considered in isolation. It impacts upon, and needs to link into a number of other major policy drivers:

- Shape of the Authority /Business Transformation
- Building Schools for the Future
- Budget planning/Efficiency Agenda

8.2 Shape of the Authority / Business Transformation

8.2.1 The Shape of the Authority and Business Transformation discussions have identified that the authority is ultimately aiming to be one which can:

- Maintain and continue to improve service performance
- Make more efficient and effective use of its resources; people, buildings etc.
- Deliver services in a responsive manner
- Maximise the extent to which services are delivered directly to the user and minimising the number of “transactions” or hand-offs to achieve this.

8.2.2 Any ICT arrangements put in place need to reflect this requirement.

8.3 Building Schools for the Future

8.3.1 Under the current arrangements, Northgate provide a managed service to schools for the admin part of the network but the curriculum part is separate from this and does not fall within Northgate's remit.

8.3.2 Building Schools for the Future (BSF) is one of the authority's major programmes over the next few years and a key aspect of this is ensuring that ICT is integrated fully into both the buildings and the culture of the schools.

- 8.3.3 Part of the BSF project will entail establishing arrangements to provide a managed service for ICT requirements to all secondary schools in the Borough with the first school expected to go live early in 2010. It is important, therefore, that this project takes account of that and ensures the necessary links are made.

8.4 Budget Planning/Efficiency Agenda

- 8.4.1 ICT is a key element of the efficiency agenda and is seen as crucial for delivering the expected benefits. It is important, therefore, that the service continues to be delivered in the most effective and efficient manner, keeping in mind the need for efficiency savings.
- 8.4.2 It is also vital, that this project links closely with the budget planning process.

9. **RISKS**

- 9.1 As with any major project there are a number of risks that need to be recognised and addressed to reduce the likelihood of their impacting on the success of the project.
- 9.2 A risk register has been developed, highlighting the risks and their likely impact and identifying action already taken to mitigate against them, together with any further actions to be undertaken during the project.
- 9.3 This register will be subject to regular reviews of the 2011 Strategy/Progress Group to ensure appropriate action is taken.
- 9.4 The key risks are around resources, skills, information availability and clarity around future requirements of the authority. These are being addressed by clear and timely planning and appropriate consultation and engagement.

10. **DECISION POINTS**

- 10.1 The key decision points of the process are:
- June 2008 – agreement on Phase 2 process, governance arrangements and timescales, identification of any additional resource requirements, the high level Statement of Requirements (SOR) and reduction of options based on initial evaluation against Statement of Requirements.
 - July 2008 – agreement on more detailed SOR, reduction of options based on further evaluation and evaluation criteria for final stage evaluation
 - December 2008 – agreement on final SOR, final stage evaluation, initial recommendation and identification of any other information required to enable final decision to be made on the delivery model to be followed. This is not a decision on a provider.
 - March 2009 – final decision on option to pursue and agreement on process and funding for Phase 3

- October 2011 – completion of Phase 3. Further detail and financial implications for Phase 3 will be the subject of a future Cabinet report once the outcomes of Phase 2 are known.

11. RECOMMENDATIONS

11.1 Cabinet is requested to:

- Note the progress to date on Phase 2 of the project
- Agree to the project governance arrangements and timescales identified in section 3 of the report
- Agree the framework Statement of Requirements (Appendix A) as a strategic statement of what the authority requires from ICT support and as the basis for further more detailed evaluation
- Agree to receive further reports as follows:
 - Detailed SOR, further evaluation of options and detailed criteria for final stage evaluation
 - Final SOR, final stage evaluation, initial recommendation and identification of any other information required to enable final decision to be made on the delivery model to be followed. This is not a decision on a provider.
 - Decision on option to pursue and agreement on process and funding for Phase 3
 - October 2011 – completion of Phase 3. Further detail and financial implications for Phase 3 will be the subject of a future Cabinet report once the outcomes of Phase 2 are known.
- Agree the further evaluation of those options identified in Appendix C and section 7 of the report

APPENDIX A



Project 2011

Statement of Requirements

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Revision	Issue Date	Description	Purpose of Issue
0.1	2/5/08	First Draft	For review by team
0.2	8/5/08	Revised following feedback	2 nd review
0.3	9/5/08	Final Revision	Final approval
1.0	23/05/08	Approved	For Cabinet Report

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1. Introduction

Hartlepool Borough Council, for the sixth year running has been awarded the highest possible Four Star rating by the Audit Commission as part of the “The Harder Test” Comprehensive Performance Assessment (CPA). In relation to our performance, the Audit Commission said:

“Hartlepool Council is performing well. Ambitions and action to achieve are founded on a strong drive to improve life in Hartlepool. Performance often ranks among the best in England. Outstanding partnership working is achieving improved outcomes ... across national and local priorities.”

In 2008, for the first time, the Council achieved the top rating Improving Strongly for the delivery of services.

Hartlepool is one of only twelve of the 116 single tier authorities to achieve both the Four Star and Improving Strongly ratings.

Independent analysis has named Hartlepool as the most improved Unitary Authority in 2006/07 – and the figures certainly stack up – we had over 45% of national indicators in the top quartile, which is significantly higher than the average for all single tier authorities of 29%. This was achieved by improvements to 62% of PIs and a further 12% were already performing at maximum and therefore could not improve. These results confirm significant and consistent improvement since 2003/04 when only 25% of indicators were above the best quartile breakpoint.

In November 2001 Hartlepool Borough Council entered into a 10 year ICT Alliance Agreement with SX3, which subsequently became part of Northgate Information Solutions (NIS). As the end of the ten year agreement draws to wards its natural conclusion Hartlepool Borough Council (HBC) is in the process of analysing and defining what it requires of any ICT provision for the future to feed into a robust selection process. This document will encapsulate the vision and requirements for the future of ICT provision within HBC by allowing us to:

- Define and prioritise HBC’s requirements in the future which must be supported by ICT provision. To support this it will clearly articulate HBC’s:
 - Vision for the future
 - Business and Corporate Objectives
 - ICT strategy
- Agree as an authority what outcomes we require, not how these will be met
- Provide enough detail at a given point to demonstrate rationale and clarity for any decision(s) taken.
- Evaluate the long list of potential delivery models to determine the models to discount and those to carry forward for further analysis
- The SoR will **not** include:
 - A definition of how any service(s) will be delivered
 - Detail, at a technical level, what a service will provide
 - The metrics that will be used to judge a service

2. Definitions and Terms (Used as a Glossary)

HBC	Hartlepool Borough Council
NIS	Northgate Information Solutions
SLA	Service Level Agreement

3. Business Needs Overview

3.1. Introduction

HBC is an authority which places significant value upon ICT to support both its operations and service users. ICT is viewed as critical to support HBC in driving the authority forward through its Business Transformation Agenda and is viewed by senior management within HBC as value adding. It is imperative that any ICT provision supports the achievement of HBC's Corporate Objectives, Strategy and Vision and the linkages between these need to be identified and reviewed to focus effort where it is deemed to add most value, and assisting HBC in this would be a requirement of any future arrangements.

The Shape of the Authority and Business Transformation discussions have identified that the authority is ultimately aiming to be one which can:

- Maintain and continue to improve service performance
- Make more efficient and effective use of its resources, people, buildings etc.
- Deliver services in a responsive manner
- Maximise the extent to which services are delivered directly to the user and minimising the number of "transactions" or hand-offs to achieve this

Any ICT arrangements put in place need to reflect these requirements

Investment in ICT is encouraged where it is supported by a robust and sustainable business case and this model has supported significant investment in a number of high profile projects, such as Financial Management System, Home and Remote Working and EDRMS and Workflow in recent years.

As a relatively small authority we require any arrangements to be agile in responding to the changing needs of local government and innovative in the way it helps HBC to achieve.

Change can come from a number of influences both internal and external to the organisation, and as such can sometimes be difficult to predict or forecast and it is important that ICT arrangements have the agility to react or adapt to change and is not constrained or slowed by any process or contractual arrangement.

3.2. High Level Requirements

3.2.1. Proven Delivery

As part of our evaluations to date we have investigated models used for ICT delivery in other Local Authorities to carry these into our preliminary evaluation. In order to select the models to carry forward onto the long list we have determined some core criteria to evaluate these models against. The criteria used at this juncture are structured to ensure only those models that have been proven to be successful are carried forward, and those that have failed to deliver the predicted benefits, for whatever reason will be discounted.

3.2.2. Outcome Based Service

In order to assist any arrangement to offer the flexibility we feel is essential for ongoing ICT provision it is important that we do not hinder or exclude flexibility and innovation by being prescriptive about how services are to be provided. We would achieve this by specifying the outcomes required and allow the arrangements the freedom to deliver the services in the most effective and appropriate way, encouraging innovation as an inherent part of the solution. Any arrangement will have to demonstrate how it would use this flexibility and freedom to tailor the service to meet our needs whilst supporting the delivery of our objectives with continued and ongoing improvement.

These characteristics are most often associated with a 'Transformational Partnership' where the emphasis of the agreement is placed on Vision, Objectives and the underpinning relationship between the organisations as opposed to being price and SLA focused.

3.2.3. Professional Delivery

Any arrangements must demonstrate an ability to present and maintain a professional interface with the client at both an operational and managerial level and a strong commitment to deliver continuous improvement, both in terms of customer satisfaction, systems and service delivery. This may include any professional frameworks adopted to ensure both quality and consistent delivery. Any arrangement will need to demonstrate how it would instil and maintain professional delivery within a culture of continuous improvement.

3.2.4. Forward Thinking / Innovation

Any future arrangements would need to provide a mechanism by which HBC are made aware of any new technologies or solutions and a mechanism inherent in the arrangement to ensure delivery of new solutions is built into the arrangements. In order for any provider to be able to deliver the technical insight and innovation it is important that both client and provider are willing to operate as a partnership, as opposed to in a traditional utility based client and provider relationship.

It is therefore essential that any ICT provider is prepared to work closely with the Council so it can gain appropriate insight and an objective view about what the authority wants to achieve and to ensure these new technologies fit with these objectives.

3.2.5. Governance

Accurate and effective management of any service must include an appropriate structure for its governance. It is envisaged the arrangements will provide robust governance at strategic, project, operational and delivery levels. This structure will deliver effective and high quality ICT services whilst being fluid enough to allow change when appropriate.

HBC's ability to fund and resource any such provision will again be a critical factor in determining practical limitations of any model of provision.

3.2.6. Flexibility

It is essential any provision has the capability to be flexible to allow the arrangements evolve, not only as technologies change, but due to the fact it is impossible for HBC to forecast the requirements of ICT 10, or even 5, years into the future. This ability for any arrangement and ICT provision to change and innovate to continually support the delivery of the Councils vision, objectives and services is critical to allow change regardless of its source throughout the lifetime of any provision.

3.2.7. Stakeholder Requirements

The needs of current stakeholders can be easily built into any solution, but what is not clear is how this may change over time. Without doubt there will be an increase in services that involve close working and information sharing with Police and Health. It is possible however that legislation requiring us to work with another 3rd Party could be passed at any time, and the needs of the new service must be easily incorporated into any ICT. Again the difficulty in quantifying this requirement for any future provision emphasises the needs for flexibility and innovation in any future arrangements, again supporting the basis for a transformational agreement.

3.2.8. Efficient and Effective Use of Resources

One of the continuing pressures on any Local Authority is the continual drive for efficiency and to be able to demonstrate how cost effective the organisation is. It would be necessary for any arrangement to demonstrate how it would build in any process or technology to help the authority achieve this and any arrangement should incorporate clear mechanisms for improving its efficiency and effectiveness.

4. Current Situation

4.1. Governance Arrangements

4.1.1. Internal Governance

Governance arrangements have been established to ensure that ICT spend across the authority is used in the most appropriate way. Services requiring new ICT systems are now required to demonstrate that there is a need and/or a business case for the development and identify both capital and ongoing revenue funding as well as any possible efficiencies. This helps to identify any conflict between the new and existing systems as well as ensuring that the authority doesn't already have a system in place that will do what is required. Before the introduction of these arrangements, directorates tended to purchase stand alone systems that met their needs but where integration and shared platforms had not been explicitly considered.

4.1.2. Contract Governance

The authority has governance arrangements in place, relating to NIS services to HBC, operating at a number of different levels.

4.2. Contract and Service Level

Service levels and performance standards are agreed within the Service Level Agreement (SLA) which is reviewed annually and monitored monthly. In 2001, the SLA included measurement of 4 priorities and this has been developed over time, together with a regular reporting cycle and agreed reporting formats, so that the latest SLA (version 9) covers 11 distinct services such as the helpdesk, desktop support and server support and has 50 separate measures used to evaluate performance within these service areas. The target responses within these measures have also been increased with the majority of them now set at 94% or higher as against 90% in 2001.

In addition, measurement is also made of 24 key applications, providing the authority with information showing any incidences when the key systems are unavailable. Performance against these measurements is consistently above target in almost every area measured.

4.3. Project Governance

HBC and NIS operate within an agreed framework that ensures any potential projects are subject to the relevant checks and balances before approval. This process confirms that both HBC and NIS agree that the project is viable from a business, technical and financial perspective. This process is critical in ensuring ICT expenditure is focused on delivering HBC's key objectives.

APPENDIX B

Details of 51 Delivery Model Options For Evaluation

No External Provider	In-house (HBC as Provider)
Single Provider	Public Body Other Than Local Authority
	Private Company
	Local Authority
	Vol Org
	College
Dual Providers	HBC + Other local authority
	HBC + private company
	HBC + other public body
	HBC + Vol org
	HBC + College
	Public Body + Private Company
	Private Company + Local Authority
	Vol Org + Public Body
	Vol Org + Private Company
	Vol Org + College
	Vol Org + Local Authority
	Public Body + College
	Private Company + College
	College + Local Authority
	Public Body + Local Authority
Cluster of Providers (3+)	3 or more Private Companies
	3 or more Voluntary Organisations
	3 or more Public Bodies
	3 or more Local Authorities
	3 or more Colleges
	HBC + 2 or more other local authorities
	HBC + 2 or more private companies
	HBC + 2 or more other public bodies
	HBC + 2 or more voluntary orgs
	HBC + 2 or more colleges
	HBC + Mixture of private and voluntary
	HBC + Mixture of private and public
	HBC + Mixture of private and local authorities
	HBC + Mixture of private and colleges
	HBC + Mixture of public and local authorities
	HBC + Mixture of public and colleges
	HBC + Mixture of public and voluntary orgs
	HBC + Mixture of local authority and colleges
	HBC + Mixture of local authority and vol orgs
	HBC + Mixture of voluntary orgs and colleges
	Mixture of private and voluntary
	Mixture of private and public
	Mixture of private and local authorities
	Mixture of private and colleges
	Mixture of public and local authorities
	Mixture of public and colleges
	Mixture of public and voluntary orgs
	Mixture of local authority and colleges
	Mixture of local authority and vol orgs
	Mixture of voluntary orgs and colleges

APPENDIX C

EVALUATION OF DELIVERY OPTIONS AGAINST HIGH LEVEL REQUIREMENTS.

The following table shows the results of the evaluation of the 51 possible delivery models against mandatory and desirable high level requirements of HBC for any future ICT provision.

The 11 models which satisfied all the mandatory requirements are highlighted in green and will be the subject of further investigation/evaluation to produce a shortlist.

<div> <div>Mandatory requirements</div> <div>Discretionary requirements</div> </div>		Used by another Local Authority	Deemed an overall success by the Client	Delivering on its initial expectations	Proven to deliver benefit over a sustained period (5 years +)	Demonstrated flexibility & innovation in the way services are delivered to fully support continuous improvement	Demonstrates a proven record in delivering continuous improvement	Allows the scanning, tracking & implementation of emerging technologies	Governance arrangements are effective without being constraining to change /	Governance doesn't place a heavy burden on client side resources	Able to adapt to new / changing stakeholder requirements	Provides a mechanism that is proven to deliver efficient and effective use of resources	Shortlisted for further evaluation
Model	No external provider	In-house (HBC as Provider)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Single provider	Public Body other than local authority											
		Private Company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Local Authority	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Vol Org											
		College						✓					
Dual providers		HBC + Other local authority	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		HBC + private company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		HBC + other public body						✓			✓		
		HBC + Vol org						✓			✓		
		HBC + College						✓			✓		
		Public Body + Private Company						✓					
		Private Company + Local Authority	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		Vol Org + Public Body											
		Vol Org + Private Company						✓					
		Vol Org + College						✓					
		Vol Org + Local Authority						✓					
		Public Body + College						✓					
		Private Company + College						✓					
		College + Local Authority						✓					
		Public Body + Local Authority						✓					
Cluster of providers		3 or more Private Companies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		3 or more Voluntary Organisations											
		3 or more Public Bodies											
		3 or more Local Authorities						✓					
		3 or more Colleges						✓					
		HBC + 2 or more other local authorities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		HBC + 2 or more private companies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		HBC + 2 or more other public bodies						✓			✓		

HBC + 2 or more voluntary orgs								√			√		
HBC + 2 or more colleges								√			√		
HBC + Mixture of private and voluntary								√			√		
HBC + Mixture of private and public								√			√		
HBC + Mixture of private and local authorities	√	√	√	√	√	√	√	√	√	√	√	√	Y
HBC + Mixture of private and colleges								√			√		
HBC + Mixture of public and local authorities								√			√		
HBC + Mixture of public and colleges								√			√		
HBC + Mixture of public and voluntary orgs								√			√		
HBC + Mixture of local authority and colleges								√			√		
HBC + Mixture of local authority and vol orgs								√			√		
HBC + Mixture of voluntary orgs and colleges								√			√		
Mixture of private and voluntary								√					
Mixture of private and public								√					
Mixture of private and local authorities	√	√	√	√	√	√	√	√	√	√	√	√	Y
Mixture of private and colleges								√					
Mixture of public and local authorities								√					
Mixture of public and colleges								√					
Mixture of public and voluntary orgs													
Mixture of local authority and colleges								√					
Mixture of local authority and vol orgs								√					
Mixture of voluntary orgs and colleges								√					

CABINET REPORT

9th June 2008



Report of: The Mayor

Subject: MULTI-USE GAMES AREA (MUGA) – REAR OF ST PATRICK'S SHOPS

SUMMARY

1. PURPOSE OF REPORT

To seek approval for extra funding.

2. SUMMARY OF CONTENTS

Extra funding required for feasibility study

3. RELEVANCE TO CABINET

Funding already agreed for feasibility study

4. TYPE OF DECISION

Non-key decision

5. DECISION MAKING ROUTE

Cabinet 9th June 2008

6. DECISION(S) REQUIRED

Approval of extra funding of £2312 to cover costs of detailed drawing and site surveys.

Report of: The Mayor

Subject: MULTI-USE GAMES AREA (MUGA) – REAR OF ST PATRICK'S SHOPS

1. PURPOSE OF REPORT

- 1.1 To seek approval from Cabinet for additional funding towards work being undertaken regarding the proposed MUGA development at the rear of St Patrick's Shops.

2. BACKGROUND

- 2.1 In November 2007 Cabinet agreed funding of £2,450 towards the costs of engaging a consultant to undertake a feasibility study.
- 2.2 As part of this study it is found that detailed drawings and site surveys are required to be undertaken by the Council's Property Services Section. They will also be liaising with other Council Departments.
- 2.3 Property Services have advised the consultant, Mr Dacre Dunlop, that the cost of supplying the above information/service will be £2,312, and until this amount is received by them the work will not be commenced. This would impact on the completion of the feasibility study.

3. RECOMMENDATION

- 3.1 It is recommended that Cabinet approve the extra funding of £2,312 so that the consultant can complete the works involved.

CABINET REPORT

9th June 2008



Report of: Corporate Management Team

Subject: QUARTER 4 – CORPORATE PLAN
2007/2008 MONITORING REPORT

SUMMARY

1. PURPOSE OF REPORT

1.1 To inform Cabinet of: -

- The progress made towards achieving the Corporate Plan Actions

2. SUMMARY OF CONTENTS

- 2.1 The report describes progress towards achieving the actions within the Corporate Plan using the traffic light system of Green, Amber and Red. The report provides an overview of Council performance, with separate sections providing more detailed information for each Portfolio Holder to consider.

3. RELEVANCE TO CABINET

Cabinet has overall responsibility for the monitoring of the Council's Corporate Plan.

4. TYPE OF DECISION

None.

5. DECISION MAKING ROUTE

Cabinet 9th June 2008.

6. DECISION(S) REQUIRED

Cabinet is asked to note the report:

Report of: Corporate Management Team

Subject: QUARTER 4 – CORPORATE PLAN
2007/2008 MONITORING REPORT

1. PURPOSE OF REPORT

- 1.1 To inform members of the progress made towards achieving the Corporate Plan objectives through identified actions for the period to 31st March 2008.

2. BACKGROUND

- 2.1 Previous monitoring reports submitted to Cabinet included an overall summary report providing an overall picture of performance and progress against the 2007/2008 budget. The report is also supported by individual Portfolio reports which provided more detailed information. This report will only contain progress on the actions within the Corporate Plan 2007/08. The Budget Monitoring report and detailed analysis of the Performance Indicators will be reviewed at a later date.

3. OVERALL PERFORMANCE AND PROGRESS ON ACTIONS AND KEY PERFORMANCE INDICATORS

- 3.1 The Council identified 152 actions within the Corporate Plan for 2007/2008 with specific milestones.
- 3.2 Officers are asked to provide a short commentary explaining progress made to date, and asked to traffic light each action based on whether or not the action will be, or has been, completed by the target date set out in the Corporate Plan. The traffic light system is: -

Red - Action has not been achieved by target date

Amber - Action is of longer term nature (end date post March 2008) and is on target

Green - Action has been achieved by target date

- 3.3 Overall performance is very good with 137, or 96%, actions either having been completed or being assessed as on course to achieve target. Table 1 summary the results for individual portfolios.

Table 1 – Progress on Actions within the Corporate Plan

Portfolio	Green	Amber	Red
Adult and Public Health	24	0	0
Children's Services	11	7	1
Culture, Leisure and Tourism	3	0	0
Finance and Efficiency	11	0	0
Neighbourhoods and Communities	17	0	0
Performance	30	2	4
Regeneration and Liveability	41	0	1
Total	137	9	6

3.4 Only 6 actions (4%) have been assessed as not having been completed by the due date, and more information on these can be found in the more detailed information relating to each portfolio later in this report.

3.5 Key areas of progress included: -

- The establishment of Jobsmart employment and skills consortiums specifically targeted at the most disadvantaged wards and residents
- The GP referral 'Stay Active' health programme has been expanded
- Best ever Key Stage 4 performance overall. Headline 5A*-C indicator is above the national average for the first time ever.
- More socially isolated people have employment, due to Disabilities and Mental health working with the Job centre
- Doorstep recycling facilities have now been rolled out across the whole town
- Community engagement programme to raise awareness and accessibility to financial support is being successfully actioned, embracing a range of new initiatives and organisations
- The Council was classed as "Improving Strongly" as part of the CPA rating for the first time.

4. REGENERATION AND LIVEABILITY PORTFOLIO

4.1 Performance Update for the Period Ending 31st March 2008

4.1.1 Within the Regeneration and Liveability Portfolio there are a total of 42 actions that were identified in the 2007/2008 Corporate Plan. All but one (97.6%) of actions have been completed, and details of the one action that has not been completed is included in table RL1, below.

Table RL1 – Actions assessed as being below target

Action	Target Date	Comment
Objective: Improve the natural and built environment, ensure the proper planning of the area and the promotion of sustainable development including addressing climate change		
EH 15 – Review and implement planning policy guidance relating to the historic environment	Mar 08	The target was not achieved as Planning Committee requested further consideration of draft policy which contributed to additional research not originally planned as part of this piece of work. This is now complete and the target should be met in June.

4.1.2 Key areas of progress made in 2007/08, in the Regeneration and Liveability Portfolio includes: -

- Work in partnership to implement the local drug treatment strategy for all drug users.
- The establishment of Jobsmart employment and skills consortium specifically targeted at the most disadvantaged wards and residents.
- Pursuing strategic housing market renewal in partnership with Tees Valley Living, Housing Hartlepool and Housing Revival.
- The Youth Outreach Service is now able to link into Anti-Social Behaviour hotspot areas and are now active in Fens and Burn Valley area.
- Over 120 people attended a Business Incubation System start up Roadshow in March.

5. CULTURE, LEISURE AND TOURISM PORTFOLIO

5.1 Performance Update for the Period Ending 31st March 2008

5.1.1 Within the Culture, Leisure and Tourism Portfolio there are a total of 3 actions that were identified in the 2007/2008 Corporate Plan, and all of these have been completed on target.

5.1.2 Key areas of progress made to date in the Culture, Leisure and Tourism: -

- A Headland tourism brochure has been published as a result of collaboration with Headland partner organisations.
- The number of individuals trained to deliver activities within clubs and the community has exceeded the established target.
- The GP referral 'Stay Active' health programme has been expanded.

6. CHILDREN'S SERVICES PORTFOLIO

6.1 Performance Update for the Period Ending 31st March 2008

- 6.1.1 Within the Children's Services Portfolio there are a total of 19 actions that were identified in the 2007/08 Corporate Plan. 18 (95%) of these actions have either been completed or are on target to be achieved by the target date (of the 18 actions, 7 are longer term actions, with completion dates set in the future). There is one action that has not been completed by the target date, and this is included in table CS1 below.

Table CS1 – Actions assessed as being below target

Action	Target Date	Comment
Objective: Make a positive contribution (Children and young people who live in Hartlepool are provided with the opportunity to participate fully in the life of their community).		
SC06 – Implement the requirements of the Education and Inspections Act 2006 to deliver Positive Activities for Young People	Mar 08	Partial progress on action plan, difficulty in securing young people involvement, and coordination of broader partner involvement

- 6.1.2 Key areas of progress made to date in the Children's Services Portfolio include: -

- Continuing to promote the development of employability skills and enterprise education in Hartlepool schools – for example a social enterprise project has been established at English Martyrs School to promote Fair Trade goods, and a post 16 project raised sponsorship to send bikes to disadvantaged young people in Africa.
- Best ever Key Stage 2 performance overall in 2007. Above national averages in both English and mathematics. Very strong performance when compared to similar local authorities
- Best ever Key Stage 3 performance overall in 2007 despite the DSCF targets not being met. Improvements in English, maths and ICT with maths above national. Strong performance when compared to similar local authorities
- Best ever Key Stage 4 performance overall. Headline 5A*-C indicator is above the national average for the first time ever. Compared to similar local authorities performance is good.
- 27 schools plus the LA nursery have now achieved their National Healthy Schools Status.

7. ADULT AND PUBLIC HEALTH SERVICE PORTFOLIO

7.1 Performance Update for the Period Ending 31st March 2008

7.1.1 Within the Adult and Public Health Service Portfolio there are a total of 24 actions identified in the 2007/2008 Corporate Plan, all of which have been completed.

7.1.2 Key areas of progress made to date in the Adult and Public Health Portfolios include: -

- A newly appointed officer is now working on Carers and Telecare projects
- The Supporting People Strategy has been updated, and additional services are being provided using short term funding
- Users and carers are more involved in social care developments and service evaluation
- More socially isolated people have employment, due to Disabilities and Mental health working with the Job centre
- Community Services literature has been updated and made available in various locations across the town.
- Library Services are better targeted at groups and individuals at risk of social exclusion e.g. Alzheimer's sufferers, Connecting Cultures programme.

8. NEIGHBOURHOOD AND COMMUNITIES PORTFOLIO

8.1 Performance Update for the Period Ending 31st March 2008

8.1.1 Within the Neighbourhood and Communities Portfolio there are a total of 17 actions that were identified in the 2007/08 Corporate Plan, and all of these have been completed

8.1.2 Key areas of progress made to date in the Neighbourhood and Communities Portfolio include: -

- Recycling and composting rates increasing. Municipal recycling options being progressed in Highway and grounds maintenance services. Street litter recycling initiative to be introduced shortly.
- Protocol and panel arrangements developed and launched for improving access to sustainable accommodation for vulnerable people.
- Doorstep recycling facilities have now been rolled out across the whole town

- 27 schools plus the LA nursery have now achieved their National Healthy Schools Status
- Over 1400 homes benefited from free insulation measures

9. **FINANCE AND EFFICIENCY PORTFOLIO**

9.1 **Performance Update for the Period Ending 31st March 2008**

9.1.1 Within the Finance and Efficiency Portfolios there are a total of 11 actions identified in the 2007/2008 Corporate Plan, and all have been completed.

9.1.2 Key areas of progress made to date in the Finance and Efficiency Portfolio include: -

- Community engagement programme to raise awareness and accessibility to financial support is being successfully actioned, embracing a range of new initiatives and organisations.

10. **PERFORMANCE PORTFOLIO**

10.1 **Performance Update for the Period Ending 31st March 2008**

10.1.1 Within the Performance Portfolio there are a total of 36 actions that were identified in the 2007/2008 Corporate Plan. Overall performance is good, with 89% (32) of the actions having been assessed as completed or on target for completion. A total of 4 actions (11%) have not been completed by the target date and these are detailed in Table PM1, below: - been is assessed as being below target. Table PM1 below detail

Table PM1 – actions assessed as being below target

Actions	Target Date	Comment
Objective: Develop and improve the effectiveness of the Overview and Scrutiny Process		
OD11 – To implement the extended powers to Scrutiny	Mar 08	Exploratory work undertaken. Target not achieved as a result of the implementation delayed by Central Government
OD13 - Evaluate the work/added value to the Overview and Scrutiny arrangements in Hartlepool	Apr 08	Agreed timing not appropriate together with capacity issues. Evaluation now to be undertaken by July 2008.
Objective: Implement Pay and Grading and Single Status arrangements		
OD37 – Implement Revised Pay and Grading Structure	Mar 08	Final approval expected May 2008
OD 38 – Implement revised Single Status Conditions of Service	Mar 08	Final approval expected May 2008

10.1.2 Key areas of progress made to date in the Performance Management Portfolios include: -

- Covalent, the Councils new Performance Management System has been introduced
- The ICT Strategy Review has been completed.
- The Council was classed as “Improving Strongly” as part of the CPA rating for the first time.
- The first Celebrating Success event was held

11 RECOMMENDATIONS

11.1 It is recommended that Members note the current position with regard to performance.



REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

FINAL REPORT SEATON CAREW'S REGENERATION NEEDS AND OPPORTUNITIES

APRIL 2008

CABINET

9 June 2008



Report of: Regeneration and Planning Services Scrutiny Forum

**Subject: FINAL REPORT – SEATON CAREW'S
REGENERATION NEEDS AND OPPORTUNITIES**

1. PURPOSE OF REPORT

- 1.1 To present the Regeneration and Planning Services Scrutiny Forum's findings following completion of its investigation into 'Seaton Carew's Regeneration Needs and Opportunities'.

2. SETTING THE SCENE

- 2.1 At the meeting of the Regeneration and Planning Services Scrutiny Forum on the 14 June 2007, Members considered potential work programme items for the 2007/08 municipal year. During the course of discussions Members were aware that although the Seaton Ward was not amongst the worst areas of deprivation in Hartlepool there were obvious signs of physical and economic decline in parts of the sea front. In light of this, the Forum selected 'Seaton Carew's Regeneration Needs and Opportunities' as its second investigation for 2007/08.
- 2.2 Seaton Carew like many coastal settlements started its life as a small fishing village, however, this changed in the nineteenth century when the area became a popular health resort and 'spare time' visitor destination. A key part of this success was Seaton's natural assets, a low lying sandy beach with no cliffs allowing relatively easy access and the infrastructure and services to support these assets. This infrastructure included a good rail link (and previous Tram link) and distinctive buildings that provided a lasting legacy that today forms part of Seaton Carew's appeal.
- 2.3 Seaton Carew's fortunes are, however, inextricably linked to those of Hartlepool as a whole and following the decline of traditional industries the area has undergone a significant restructure, in terms of its economy and appearance. Seaton Carew has also seen the impact of rising disposable incomes and cheaper / more accessible modes of transport which has reduced the number of visitors, the length of time they stay and their reasons for visiting. In Seaton Carew's case, people are now more likely to be day visitors or visit family and friends than stay for prolonged holidays.

3. OVERALL AIM OF THE SCRUTINY INVESTIGATION

- 3.1 The overall aim of the Scrutiny investigation was to consider the effect of past regeneration investment in Seaton Carew and explore the area's future regeneration needs and opportunities.



4. TERMS OF REFERENCE FOR THE SCRUTINY INVESTIGATION

- 4.1 The Terms of Reference for the Scrutiny investigation were as outlined below:-
- (a) To gain an understanding of national, regional and sub regional economic policy and the ways this can influence approaches to the regeneration of Hartlepool, and in particular Seaton Carew;
 - (b) To gain an understanding of the role of stakeholders and partners involved in the regeneration process (as demonstrated throughout the report);
 - (c) To consider the scale, range and impact of previous regeneration investment in Seaton Carew by the public and private sector over the last five years;
 - (d) To gain an understanding of current and future community facility provision in Seaton Carew and explore their role in the regeneration of the area;
 - (e) To gain an understanding of the Councils land holdings in Seaton Carew and their potential role in the regeneration of the area;
 - (f) To gain an understanding of how Hartlepool, and in particular Seaton Carew, is marketed to attract tourism and businesses and consider if there are any additional ways to raise the town / area's profile;
 - (g) To explore Seaton Carew's current and future regeneration needs, and opportunities, and gain an understanding of the plans and strategies being implemented to address with them;
 - (h) To explore examples of good practice in another Local Authority(s), and lessons learnt, in relation to the regeneration of coastal areas / towns; and

- (i) To seek the views of the public, local schools, other key stakeholders and local businesses in relation to the effectiveness of previous regeneration activities in Seaton Carew and the areas future regeneration needs and opportunities.

5. MEMBERSHIP OF THE REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

- 5.1 The membership of the Scrutiny Forum was as detailed below:-

Councillors Alison, R W Cook, S Cook, Cranney, Gibbon, Johnson, London, A Marshall, Worthy, Wright and Young.

Resident Representatives T Jackson, R Steele and I Ryder.

6. METHODS OF INVESTIGATION

- 6.1 Members of the Regeneration and Planning Services Scrutiny Forum met formally from 6 December 2007 to 3 April 2008 to discuss and receive evidence relating to this investigation. A detailed record of the issues raised during these meetings is available from the Council's Democratic Services.

- 6.2 A brief summary of the methods of investigation are outlined below:-

- (a) Evidence from the Member of Parliament for Hartlepool;
- (b) Evidence from the Elected Mayor (Cabinet Member with Portfolio for Regeneration and Liveability);
- (c) Evidence from the Cabinet Member with Portfolio for Culture, Leisure and Tourism;
- (d) Evidence from the Cabinet Member with Portfolio for Neighbourhoods and Communities;
- (e) Evidence from the Seaton Ward Councillors;
- (f) Evidence from the Officers from the Regeneration and Planning Services, Neighbourhood Services and Adult and Community Services Departments;
- (g) Evidence from the Local Residents of all ages (including a selection of young people);
- (h) Evidence from the Representatives for the business community in Seaton Carew;
- (i) Evidence from the Representatives from stakeholders;

- (j) Information on best practice and the lessons learnt in relation to the regeneration of coastal areas / towns; and
- (k) Feedback from the North, South and Central Neighbourhood Consultative Forums.

FINDINGS

7. ECONOMIC POLICY AND ITS INFLUENCE ON REGENERATION IN HARTLEPOOL

- 7.1 Members were surprised to find from the evidence provided that there was currently no specific national strategy or policy framework for the regeneration of coastal towns / communities. This reasoning for this being based upon the view that coastal towns were too diverse to warrant the development of a national strategy / policy, and that a 'one size fits all' solution would not be viable.
- 7.2 Members were, however, encouraged to learn that the issue was by no means being ignored, with recent publications raising awareness of the range of social, economic and physical issues facing coastal communities. Central Government had also accepted the need for it to develop a greater appreciation of the needs of coastal towns and had pledged to establish a cross departmental working group to explore the issue further. The aim of this group being to look at coastal communities and develop a more co-ordinated approach to the challenges facing them.
- 7.3 In the absence of a national strategy / policy framework, Members recognised the need to obtain resources for coastal town regeneration from a range of more general policies, regeneration strategies and funding programmes. The Forum noted with interest, the impact of these more general national policies / strategies / funding programmes in terms of Seaton Carew and how regional and sub regional economic policy had influenced regeneration of the resort.

The Impact of National Policy on Regeneration in Seaton Carew

- 7.4 Members gained an understanding of the historical basis for Government regeneration funding and most importantly in terms of this investigation its impact in Seaton Carew:-
 - (i) **The Urban Programme (1970's)** – This funding was used in Seaton Carew to upgrade the promenade area between the Longscar Hall and beach access to the north.
 - (ii) **The Urban Development Corporations (UDC's) (1980s – 1990s)** - Seaton Carew was not eligible for funding from this source, however, the Teesside Development Agency (TDC) was instrumental in

developing the Marina, including the Historic Quay and adjacent coastal defences.

- (iii) **City Challenge / Single Regeneration Budget (SRB) / New Deal for Communities (NDC) (1980s – 1990s)** - The funding criteria for these programmes varied with a key focus on the most deprived areas. Seaton Carew was not eligible for funding from this source.
 - (iv) **The Neighbourhood Renewal Fund (NRF) (Late 1990's to 2008) / Working Neighbourhoods Fund (WNF) (2008 Onwards)** – With funding again focused on areas of deprivation (particularly the 10% most deprived wards nationally, Seaton Carew was not eligible.
 - (v) **Single Programme (SP) (Current day)** – This will be the main funding vehicle for economic regeneration and investment in the future, with One North East taking the lead in our region in determining priorities and budget allocations. Whilst not solely focused on areas of deprivation or a strictly defined geographical area, tourist related project expenditure was eligible under this programme.
- 7.5 It was apparent to the Forum that Hartlepool had over the years attracted significant regeneration funding from central government and officers were commended on their success in attracting it. Members were, however, concerned that support for Seaton Carew had been limited as a result of competitive bidding processes, the very specific focus of some funding sources on areas of deprivation and lack of significant private investment.
- 7.6 Members were pleased to find that in recognition of the impact of these factors, the Council had in 2001 taken the decision to focus £200,000 of One North East (ONE) funding in Seaton. The Forum noted that whilst relatively modest, this funding had enabled the improvement of visitor facilities and areas around them, including the refurbishment of the paddling pool / adjacent seating area, provision of a grant package for businesses to improve premises and installation of a CCTV camera.
- 7.7 Members recognised the need for continued investment and the importance of continuing to focus on the improvement of visitor facilities and beach / open space protection as part of an overall package of regeneration measured of the future. The Forum was pleased to learn that further funding was secured to provide environmental improvements to the rear of the bus station, improved access to the former fairground development site, a new car park to the north of Seaton and the removal of the north shelter and provide new landscaping.
- 7.8 In terms of the issue of private sector investment, Members noted with interest that the importance of private funding had been recognised within the SP regime, with much greater emphasis on securing regeneration through the attraction of private sector investment. Members were also encouraged to find that the inclusion of tourist related project expenditure as a legitimate area within the SP regime, and its focus was not solely on areas

of deprivation, would give Seaton Carew a better chance of accessing funding in the future.

- 7.9 Regarding other One North East funding for the provision of subsidies / grants to local businesses, as shown above, the Forum supported the need to improve the appearance of shop fronts in Seaton Carew as a key part of any process for the regeneration of the resort. Members were, however, concerned regarding the apparently low levels of take-up of these grants and felt that ways of improving this needed to be looked into further as part of any similar regeneration scheme in the future. Members were keen that emphasis should be placed upon the provision of subsidies which could be recovered when businesses are doing well, rather than grants. (Don't recall this part of the discussion)

Regional / Sub-regional Influences on Regeneration in Seaton Carew

- 7.10 In exploring regional and sub-regional influences, Members considered the role played by the Regional Development Agency (RDA) in influencing economic regeneration policy, including the Regional Economic Strategy (RES), and the allocation of resources. Members also noted with interest details of the RES, and gained an understanding of other key strategy's which influence regeneration in Seaton Carew:-
- (i) **The Regional Economic Strategy (RES)** is a framework for the prioritisation of Single Programme (SP) resources and projects requiring SP support, with the aim of delivering sustainable economic growth and improvements in the performance of the regions economy. The RES has a clear focus on prioritising strategic rather than local schemes for support and securing 'hard' economic outputs;
 - (ii) **The Tees Valley Vision and Business Case for Tees Valley City Region** was produced by all five Tees Valley local authorities, in conjunction with One North East and Tees Valley Partnership, these documents put forward the strategic case for investment in the Tees Valley. The documents provide the framework and justification for concentrating investment in three core spatial areas across the Tees Valley (Stockton / Middlesbrough Initiative, Darlington Gateway and the Coastal Arc);
 - (iii) **The Coastal Arc Strategy** is a joint programme between Hartlepool Borough Council and Redcar and Cleveland Borough Council. This is an economic initiative with tourism identified as one of the main economic drivers;
 - (iv) **The Hartlepool Tourism Strategy (2004)** - See Section 11 of this report; and
 - (v) **The Seaton Carew Tourism Strategy (2003 – 2008)** - See Section 11 of this report.

- 7.11 Members were reminded of the considerable energy spent at a sub regional level on the development of the strategic case for investment in the Tees Valley and were encouraged to see Seaton Carew included within the Coastal Arc Programme, as a priority for investment, and the Tees Valley Investment Plan. The Forum was, however, disappointed to learn that One North East had expressed reservations about the strategic benefits of the resort to the regional economy and welcomed the use of the recommendations of the Hartlepool Tourism Strategy to demonstrate the resort's regional value as part of the broader Hartlepool Quays.
- 7.12 The Forum was also concerned that there appeared to be no mention of Seaton Carew in the Regional Spatial Strategy (RSS), currently out for consultation. Members were advised that the RSS was a regional document, aimed at a regional perspective and could not include all the detail for the entire region, and whilst not directly mentioned Seaton Carew was included as part of larger areas referenced within the Strategy. Despite these assurances, Members remained concerned regarding the need to ensure that Seaton Carew was clearly identified as part of future regeneration packages and requested that their views be relayed to Cabinet for consideration during the formulation of the RSS consultation response.

8. THE IMPACT OF REGENERATION INVESTMENT IN SEATON CAREW – PAST AND FUTURE

- 8.1 The Forum was of the view that obtaining a clear understanding of the impact of past and possible future, regeneration investment was vital to its investigation and received evidence in a variety of forms during the course of discussions.

Past Regeneration Investment in Seaton Carew

- 8.2 Members ascertained that Seaton Carew's first significant opportunity to benefit from regeneration funding came with the establishment of the Tees Valley Partnership in 2000. Followed by one year's Single Programme (SP) funding in 2002/03 and the opportunity to access further SP funding and European INTERREG resources.
- 8.3 The Forum recognised that the need to develop a co-ordinated approach to the use of this, and future regeneration investment, and noted that this had led to the establishment of the Seaton Carew Tourism Strategy. It was against the objectives and 'action themes' of this strategy, as outlined in Section 11 of this report, that the impact and success of regeneration investment was assessed.
- 8.4 Members were encouraged to find that within the period of the current Seaton Carew Tourism Strategy, £2 million had been invested providing the following schemes:-
- (i) Lifeguard provision since 2003;

- (ii) Improved access to the beach and further restrictions to the dunes;
- (iii) Improved cycle and pedestrian routes;
- (iv) Traffic calming measures along the sea front;
- (v) Improved car parks;

- (vi) Clearance and redevelopment of the North Shelter;



- (vii) Private sector investment in the 'Old Baths' site;
- (viii) Funding identified for structural works at Seaton Bus Station;

- (ix) Environmental works, including paving and commercial grant projects;



- (x) Seaton Beach achieving the Environmental Campaign Seaside Award;
- (xi) Installation of additional dog litter bins;
- (xii) Inclusion of Seaton in town wide promotional material and 'Destination Hartlepool' website;
- (xiii) Programme of events organised, including guided walks, tours and annual events (Fireworks display, Marina 5Km Run and Triathlon);
- (xiv) Approximately 10 commercial properties accessed grant funding;
- (xv) Work needed with traders to establish aspirations with regard to Traders Association; and
- (xvi) Majority of local hotels are members of the Hotel Group and are featured on the 'Destination Hartlepool' website.

8.5 In addition to these schemes, the Forum found that several larger regeneration projects had also been undertaken in Seaton:-

- (i) **The Hartlepool Heritage and Economic Regeneration Scheme (HERs) (2002-04)** – £240,000 Single Programme funding, £60,000 HBC /LTP funding, £182,282 English Heritage funding and £138,921 Private Sector funding. Its aim being to enhance the environment within the Seaton conservation area, including grants for businesses and improvements to the public realm;
- (ii) **Seaton Carew Renaissance Phase II (2003-05)** – £241,036 Single Programme funding, £162,873 Private Sector funding and £101,000

Local Authority funding. The aim of this project was to provide grants to businesses and upgrading of crossing points, car parks and linkages, etc;

- (iii) **The ENCAMS (Environmental Campaigns) Seaside Award (2004-05)** – £143,857 Single Programme funding, £6,350 ERDF funding and £134,855 HBC funding. Its aim being to improve and monitor the quality of bathing water and beach environment enhances signage and Foreshore Management Plan; and
- (iv) **The Seaton Carew Tourism Development Project (2004-06)** – £505,000 Single Programme funding and £101,301 European funding. Its aim being to improve the area around the Bus Station, access to 'Old Fairground' site and demolish and landscape the North Shelter.

8.6 The Forum was pleased to find that many of the projects identified within the eight themes of the Seaton Carew Tourism Strategy (as detailed in Section 11 of the report) had been achieved since its publication in 2003. Members recognised the cumulative efforts of targeted regeneration projects, and other mainstream investments, had been considerable. However, it was accepted that from a residents perspective it was often the smaller more personal schemes that were important and as such, the success of regeneration in Seaton Carew was not always apparent to residents.

8.7 This view was illustrated further when considering the views expressed at the Focus Group, discussed later in the report, against the results of the consultation undertaken during the process to update the Seaton Carew Tourism Strategy in 2007. Members noted that the consultation undertaken to obtain residents views on progress, and what they felt were the remaining priorities, had shown that the demolition of the North Shelter and landscaping scheme, the lifeguard provision, increased pedestrian road crossings and development on the former baths site were all considered successful improvements. There was however, continuity in views in terms of the future in relation to the need to address the bus station, dock tower and Longscar Hall situations as a priority for the regeneration of the area.

Future Regeneration Investment in Seaton Carew

8.8 It came as no surprise to the Forum that Council officers continued to monitor Government and non government agencies for opportunities to access regeneration funding. Members were pleased to learn the in addition to the funding streams identified above; new funding areas were also being explored. These included Department of Culture, Media and Sport (DCMS) funding (£45m over 3 years) for investment in Culture and Arts in Seaside resorts and, as discussed further in Section 10 of this report, Cabinet exploration of ways in which the Council's own land holdings and buildings could be used to assist in regeneration across the town.

8.9 Members were fully supportive of exploring all possible ways of encouraging future regeneration investment and in relation to the DCMS funding

recognised that its focus on the regeneration of historic high streets, public spaces and galleries or concert halls could be useful in stimulating indirect economic growth. Members also pleased to find that DCMS resources would be available to smaller projects around the coast each year and were hopeful that this could be particularly beneficial for Seaton.

9. THE ROLE OF COMMUNITY FACILITY PROVISION IN THE REGENERATION OF SEATON CAREW

- 9.1 It was apparent to the Forum that Seaton Carew had long played a key role in the community life of Hartlepool and the surrounding area. Members noted the wide variety of public / private and voluntary sector managed community facilities available in Seaton and in exploring their role in the future regeneration of the resort welcomed confirmation of their condition and proposals for future provision.
- 9.2 Although not conventional community facilities, the Forum recognised the importance of many areas of service provision in contributing to the well being of Seaton Carew and the overall package for the regeneration of the area. Members noted in particular facilities / activities at Seaton Common, Teesmouth Field Centre, Saltholm RSPB Centre, the beach lifeguards, paddling pool, and allotments, and Coronation Drive.
- 9.3 In terms of more traditional facilities, Members noted with concern that those at Seaton Park, Seaton Library and Seaton Community Centre were all in danger of failing to deliver services due to their increasingly poor infrastructure condition, increased inefficiency and costs. The issues effecting these facilities being:-
- (i) **Seaton Library** – The need for £96,000 of essential, necessary and desirable maintenance expenditure to undertake significant roof works and improve the internal fabric and decoration of the building.
 - (ii) **Seaton Park** – Although not neglected the Park had a poor horticultural infrastructure and a number of outdated recreation facilities in the form of football pitches, bowling green and tennis courts, which have a negative impact on neighbouring residents. The Park was regularly maintained but no specific capital investment has been identified and the facilities are unlikely to change until a significant investment is made.
 - (iii) **Seaton Carew Community Centre Sports Hall** - The need for £264,000 of essential maintenance to improve a facility approaching the end of its expected design life, with a layout, design and positioning that is not conducive to increased use.
- 9.4 The Forum recognised that, as in other areas across Hartlepool, community facilities in Seaton were reaping the legacy of investment in the 1960's / 1970's, with them now reaching the end of their lifespan. Members were surprised to learn the Seaton Community Centre was the most expensive in

terms of maintenance of the town's community facilities and with regret accepted the view that it was not sensible for the Council to continue investing in facilities that are not, and would not regardless of improvements, be fit for purpose.

- 9.5 The Forum recognised the need to address this problem and accepted that unless a forward plan was developed facilities in Seaton could be lost over time through deteriorating conditions. With this in mind, the Forum was in principle supportive of the potential for a number of opportunities to coincide at Seaton for the provision of a new local community centre serving a multitude of services within an integrated building. It was, however, important to the Forum that residents and partner organisations be closely involved in the design and location of any such facility, that duplication of resources is avoided and that the construction of any building be such that it has a longer life span than that of its predecessors.
- 9.6 Most importantly of all, the Forum was adamant that replacement facilities must be identified before the demolition / removal of existing facilities, with continuity of service provision for residents paramount.

10. THE ROLE OF COUNCIL LAND HOLDINGS IN THE REGENERATION OF SEATON CAREW

- 10.1 The Forum was encouraged to find that the Council had already recognised the need to look closely at the role of its own land holdings in providing and improving future regeneration opportunities in Hartlepool.
- 10.2 Members found that the Authority's Cabinet was now in the very early stages of exploring possible ways of utilising its property holdings to generate a series of benefits which could collectively enhance existing services and facilities for Seaton Carew and Hartlepool. Members noted with interest, in relation to Seaton Carew, that an initial view was that sites off Elizabeth Way (currently occupied by the youth / community centre / sports hall / surrounding open space), at Seaton Carew Park and Library, Seaton Sands and off Coronation Drive could possibly be marketed to attract developers.
- 10.3 With each of these sites discussed further in Sections 9, 13 and 14 of the report, Members became aware of the importance to residents of retaining Seaton Carew's identity as a 'village'. In relation to the Coronation Drive site, it was evident to the Forum that residents felt strongly that the reduction of the green space separating Seaton from the rest of Hartlepool would damage this identity and detract from the overall appearance of the area. The Forum acknowledged this view and agreed that it should be given full consideration as part of the consultation process regarding any possible future developments on the site.
- 10.4 Whilst the Forum was pleased to receive confirmation of the position in terms of possible Seaton Carew sites it was reassured to find that no plans had yet been formally identified in relation to these, or any other, sites. Members

highlighted the significance of continuing to keep all Councillors and residents informed of progress throughout the process and emphasised the importance of listening to the results of consultations regarding community needs and opportunities, as part of the future process.

- 10.5 Members looked forward to the results of this process and recognised its importance as part of an overall package for the regeneration of Hartlepool and Seaton Carew in particular. The Forum also drew attention to the need to consider as part of this process the way in which capital receipts from the sale of land / buildings was used. Members were sympathetic to views expressed by residents that capital receipts from the disposal of land / buildings in Seaton should be reinvested in the resort, however, it was recognised that financial processes within the Council were such that assurances of this type could not be given. Despite this the Forum supported the view that Cabinet should be encouraged to explore wherever possible ways of reinvesting capital receipts from the disposal of land / buildings in Seaton back into the resort.

11. THE ROLE OF MARKETING IN THE REGENERATION OF SEATON CAREW

- 11.1 Whilst not always given the recognition it deserves in the regeneration process, Members acknowledged the importance of the marketing of Seaton, in its own right as well as part of Hartlepool, in attracting visitors and raising the image and profile of the area to encouraging investment vital for future regeneration.
- 11.2 Looking at the wider issue of tourism, Members noted that the biggest influence on tourism over the last three years had been changes to organisational structures and funding routes. This included emphasis by ONE now on the delivery of tourism on a national basis and the delivery of regional tourism through the Area Tourism Partnerships. With this in mind, the Forum was supportive of ongoing work to maintain the tourism profile of Hartlepool and the Tees Valley nationally. Members were also pleased to see that this was going to continue through the Market Segmentation, exercise currently being undertaken by ONE.
- 11.3 During the course of discussions, it was brought to the Forum's attention that other local authorities were marketing attractions in Hartlepool, i.e. the Marina and Maritime experience, as part of their own efforts to attract visitors to the wider area. Members viewed this as a compliment in terms of the quality of activities available in Hartlepool and highlighted the importance of working closely with neighbouring local authorities to make the most of this marketing route. Members also recognised that the Tall Ships Race and Saltholme Visitors Centre were substantial opportunities for the future marketing of Hartlepool and Seaton Carew and was encouraged to learn that discussions were ongoing in terms publicity, public relations and media support from One North East for the Tall Ships Race.

- 11.4 Considering local marketing activities, Members noted with interest that the strategic vision for the marketing of Hartlepool, and more specifically Seaton, was contained within the Hartlepool Tourism Strategy (2004) and Seaton Carew Tourism Strategy respectively. Members were pleased to see that within these documents Seaton Carew was clearly identified as having an important part to play in the overall tourism package for Hartlepool and in increasing the 'critical mass' of activities and attractions to help lengthen visits. They were encouraged to see that themes and objectives identified in the Seaton Carew Tourism Strategy, as outlined below, already illustrated an awareness of the concerns expressed during the course of this investigation and a willingness to find ways to address them:
- (i) **Beach and Sand Dunes** - Raising standards of beach and sea cleanliness and improve coastal management;
 - (ii) **Accessibility** - Improve accessibility within and into Seaton;
 - (iii) **Developments** - Maintain, develop and enhance the built environment and encourage diversity of attractions;
 - (iv) **Environment** - Sustain and enhance the natural environment and increase public awareness and understanding of its importance;
 - (v) **Marketing** - Raise the profile and improve the image of Seaton;
 - (vi) **Events and Activities** - Develop events and activities that compliment and utilise the existing infrastructure;
 - (vii) **Businesses** - Attract and encourage the development of a strong and diverse business network; and
 - (viii) **Accommodation** - Strengthen the accommodation network.
- 11.5 In addition to this, Members also noted that as part of a review of the Seaton Carew Tourism Strategy in June 2007 consultation results had shown that residents recognised the value of work already undertaken in Seaton, as outlined in Section 8 of the report. There were, however, key areas where people felt urgent attention was needed and Members noted with interest that these also reflected those expressed during the course of the investigation. These included the condition of the Bus Station and the future use and appearance of Longscar Hall.
- 11.6 Bearing in mind the recurring view expressed that 'priority needed to be placed upon making the best out of what Seaton Carew already has to offer' Members noted with interest that whilst all businesses in Seaton Carew were given the chance to feature in appropriate marketing materials not all chose to participate. In light of this, and concerns regarding the apparent absence of reference to the Seaton Carew Golf Club within marketing material, Members felt that links between the Council, local businesses, clubs and other organisations needed to be maximised and ways of encouraging involvement explored.

12. THE ROLE OF COASTAL PROTECTION IN THE REGENERATION OF SEATON CAREW

- 12.1 Evidence provided confirmed Hartlepool Borough Council's role as Coastal Protection Authority with responsibility for the prevention of coastal erosion in the borough, whilst the Environment Agency (EA) was responsible for sea defence (i.e. defence from coastal flooding of land).
- 12.2 The Forum welcomed the joint approach undertaken between the Council and EA in dealing with Hartlepool's high levels of land subject to erosion and, given climate change predictions, areas of low lying land with potential to flood. Members noted the hierarchical approach taken to the provision of sea defences and the Shoreline Management Study (1991), within which priority had been given for completion of a Strategy Study on Seaton Carew frontage. The remit of this Study being to examine the viability of coastal protection schemes along this stretch of coastline before suggesting a possible Project Appraisal Report for submission to the EA.
- 12.3 Evidence provided showed that the process for completion of the Strategy Study was just beginning, with the selection of a Consultant now underway. Members, however, noted that the results of the Study were not expected until spring 2010 and expressed concern regarding the implications of building in the meantime on areas in Seaton Carew where flooding could be a problem now, or in the future given environmental predictions. Members were strongly of the view that pending completion of the Strategy Study a halt should be placed upon the further marketing, or approval of planning permission for, development of land in and around Seaton Carew where there was a potential flood risk. This is discussed further in Section 13 of this report.
- 12.4 It was also brought to the Forum's attention that if sea levels rise in line with predictions significant lengths of sea wall fronting Seaton beaches would be affected. Members were disturbed by the suggestion that new sea walls would need to be much higher, and larger, to deal with predicted sea levels and tide patterns and were perplexed by indications that they might have to be constructed on the esplanade side of the existing wall, to meet environmental requirements by English Nature. Members and residents shared the view that construction of large sea walls on the promenade side of existing defences would be unrealistic and suggested that English Nature be advised of possible future objections to try and identify a possible way forward for later in the process.

13. SEATON CAREW'S FUTURE REGENERATION NEEDS AND OPPORTUNITIES

- 13.1 It was apparent to Members that there was a clear need for the delivery of a strategic approach to the regeneration of Seaton Carew in order to attract the private sector input necessary to make the provision of 'enhanced' facilities and regeneration opportunities outlined below possible.

- 13.2 Looking at regeneration for the future, the Forum recognised the key role the potential opportunities for the development, renewal and management of existing Seaton Carew community facilities would play, as discussed in Section 9 of the report. The Forum also acknowledged the importance of ongoing work to manage the Council's various assets in Seaton, with a view to implementing possible options for Seaton's broader land holdings and assets, as discussed in Section 10 of the report.
- 13.3 In addition to these opportunities, Members were pleased to discover that a number of other options were also available for the future regeneration of Seaton. These being:-
- (i) **The Seaton Sands Site** – Identified to address the lack of facilities to support activities on the main beach and promenade identified in the Hartlepool Tourism Strategy;
 - (ii) **Seaton Carew Bus Station** - £190,000 of HBC capital funding has already been identified to be spent from March 2008 onwards to deliver structural works to ensure the long term future of the building. These works included, painting and decoration needed to restore the grade II listed building and budgets have been identified for the refurbishment of the toilets in the clock tower;
 - (iii) **Public Conveniences in Seaton Carew** – Completion of the above works to the Bus Station would allow the demolition and landscaping of the Rocket House facilities and proposals were in place to develop public facilities adjacent to the Newburn Bridge Car Parking area; and
 - (iv) **Saltholme Nature Reserve** – Located within Stockton the development will provide benefits to Seaton Carew and the Council is exploring ways to enhance the physical links between the two through the expansion and development of the cycle and pathway network. National and European funding opportunities are being explored to implement any suggested links.
- 13.4 Discussing the various options available for the future, as outlined above, Members were encouraged to find that the Seaton Sands scheme, would address some of their, and residents, concerns regarding the provision of alternative indoor leisure / tourism facilities and the development of Seaton to complement the Maritime Experience and Tall Ships Race. The Forum was, however, disappointed that little interest had been shown in the site during informal market testing and as a result of these efforts was now being made to increase the size of the site, and improve its sea front area, to make it more attractive to developers. These efforts included negotiations for the inclusion of a piece of Seaton Carew Golf Club land and the extension of the site to include the Rocket House car park, former fairground site, land behind Seaton Bus Station and the area immediately north of Longscar Hall.
- 13.5 Whilst the Council owned the majority of land in this area, Members were aware that the Longscar Hall itself was privately owned and welcomed

indications that negotiations were ongoing with the Hall's owners to identify a way forward. The Forum, however, could not ignore the strength of feeling expressed regarding the condition of the hall and the detrimental effect this had on the living environment of residents and the resorts attractiveness to visitors and possible outside investors.

- 13.6 Whilst it had been suggested that the compulsory purchase of the hall by the local authority should be explored as a quick fix, Members found that this would be unlikely, given that the use of such an order would only be viable if there was the probability of redevelopment. Members were assured that the condition of the building was as frustrating for officers as residents and were reassured that the local authority was doing all it could, in terms of enforcement action through its Section 215 planning powers, to improve the immediate appearance of the property.
- 13.7 The Forum recognised the importance of actively involving all sections of the community in the regeneration process, whether through consultation or practical involvement in the provision of scheme or facilities. A expected this included the involvement of businesses and the areas clubs and other organisations, however, the Forum also identified a possible additional option in the form of community enterprise providers, a possibility which the Forum was keen to see pursued.
- 13.8 Members were keen to see future regeneration in Seaton provide facilities for residents and visitors alike and highlighted the importance of the utilisation of smaller initiatives / activities, in conjunction with the larger schemes, as part of an overall regeneration package. On this basis, the Forum identified the following range of suggestions which it felt should be explored further:-
- (i) The provision of additional cycle routes to extend the route from the Powerstation (Tees Road) to Saltholme;
 - (ii) The provision of improved transport to Seaton from the town centre and the headland, i.e. buses or trams;
 - (iii) In the absence of evening entertainment for visitors to Seaton Carew ways of providing live music events should be explored, with the Mayfair (subject to the improvement of pathways and lighting to encourage pedestrian links);
 - (iv) The provision of camping facilities, including the possible use of the Mayfair Centre, as there are currently none from the Sunderland to Whitby coastline;
 - (v) The use of webcams to assist in raising Seaton's profile;
 - (vi) Explore the reintroduction of previously successful events such as the fishing competition, and radio road shows;
 - (vii) Explore the further development of events and activities, including the viability of providing facilities for skateboarding, ice-skating, roller skating, go carting, miniature golf and yacht racing, with the aim of making Seaton Carew an all year round attraction;
 - (viii) Refurbishment the clock tower and bus shelter;
 - (ix) Publicise sporting strengths to attract visitors to the area; and

- (x) Explore the identification of additional funding from local businesses, i.e. the Power Station, and find ways of encouraging them to become involved in putting something back into the community.
- 13.9 It was also clear to the Forum that a very diverse range of views existed in terms of the resorts regeneration needs and opportunities and what should be a priority for the future. These views had been sought first hand by the Forum in a variety of ways and were outlined in Section 14 of this report. In addition to these views, the Forum was keen to hear from Ward Councillors, the Town's MP and representatives One North East. Details of which are outlined be later in this Section of the report.
- 13.10 Members were also interested in talking to the Councils Executive. As responsibility for various aspects of provision in relation to the regeneration of Seaton Carew spanned the remit of a number of Cabinet portfolios, the presentation of evidence was spread over a number of meetings and Portfolio Holders.

Evidence from the Portfolio Holder for Culture Leisure and Tourism

- 13.11 Evidence provided by the Portfolio Holder for Culture Leisure and Tourism, on the 23 January 2008, reflected his admiration for Seaton Carew beach, as one of the safest beaches in the country, and support for the regeneration of the whole resort. The Portfolio Holder went on to put forward a number of suggestions for future activities / facilities, as outlined below, which Members noted and supported for further exploration following completion of the investigation:-
- (i) The utilisation of bunting and other forms of decoration i.e. lamp columns banners, hanging baskets, and improved planting in the Park;
 - (ii) Increased traffic calming measures on the Front, i.e. 20mph zone, in accordance with community;
 - (ii) Development of a multi – use games area;
 - (iii) The use of the bus station for the provision of visitor information;
 - (iv) The provision of portable ice rink facilities around the paddling pool area; and
 - (v) The introduction of tourist buses at weekends from Seaton Bus Station to transport families between attractions within the town, including the Headland, Maritime Experience and Saltholme Nature Reserve (possibly including as extension of the route for the Badger Bus).
- 13.12 In considering the Portfolio Holder's suggestions, Members were very interested in the benefits of providing a tourist bus and suggested that it should be explored as part of the future regeneration of Seaton Carew.

Evidence from the Elected Mayor, as Portfolio Holder for Regeneration and Liveability

- 13.13 The Forum received evidence from the Elected Mayor, as Portfolio Holder for Regeneration and Liveability at its meeting on the 15 February 2008.

Information provided by the Elected Mayor reinforced the level of investment already put into Seaton Carew (£1.7m over the last four years), the benefits of achieving blue flag status for the beach and the provision of beach lifeguards in the summer months.

- 13.14 In view of continuing concerns regarding the condition of the clock tower and its importance to the regeneration of Seaton Carew, Members were delighted to learn from the Elected Mayor that arrangements had recently been put in place for improvements to the clock tower and its toilets. With funding of £190,000, work was to commence in March 2008 to replace the towers flaking paintwork with a special coating to protect from the sea air and the toilets revamped to bring them up to standard, including disabled facilities and baby changing. Whilst the Forum recognised this as a step forward, Members were still concerned regarding the long term future of the clock tower and bus station.
- 13.15 The Forum was also interested to hear from the Elected Mayor that the Council had been approached by developers with ideas for potential development in Seaton Carew, and whilst further information on this was not available at the time of the investigation Members were encouraged to see that there could be exciting times ahead for investment in Seaton. The Elected Mayor also agreed with concerns expressed throughout the investigation, by many Members and witnesses, that facilities in Seaton, such as the Youth Centre and the Library were well past their 'sell-by date' and needed to be replaced. The Forum welcomed confirmation of the Council's commitment to bring new and improved facilities to residents and noted the Elected Mayor's cautionary note that the only way this was likely to happen would be on the back of new developments.

Evidence from the Portfolio Holder for Neighbourhoods and Communities

- 13.16 Evidence was also provided, at the meeting on the 15 February 2008, by the Portfolio Holder for Neighbourhoods and Communities. The Portfolio Holder shared the views expressed by the Elected Mayor and reiterated that developers approaching the Authority to discuss potential plans, even before full marketing had started, was encouraging in terms of future investment in the area.
- 13.17 In relation to the plans for possible development sites around Seaton Carew, the Forum was assured that their selection would be dependent upon the wishes of Seaton residents. Also, that although there may be a need for an element of residential housing as part of any development, to create the funding for schemes such as a new community facility the provision of affordable housing was also a council priority. The use of land at Coronation Drive for development was also a possibility and would be subject to public consultation. Despite these assurances, the Forum was made fully aware by residents of the wish that no further development be undertaken on either side of the road, north of Seaton Lane. It was also apparent to Members from witness participation in the investigation that the retention of the green

belt to separate Seaton from Hartlepool and provide residents and visitors with open space for informal recreation was a high priority.

- 13.18 Regarding the effect of Seaton Carew not being able to qualify for the additional funds as a result of it not falling into the necessary 'deprivation categories', the Portfolio Holder recognised that this problem had been experienced in many areas of Hartlepool. He did, however, reiterate the view expressed earlier that Officers should be commended on their success in accessing a variety of other sources of funding over recent years, which in the case of Seaton Carew had resulted in the £1.7m investment previously mentioned by the Mayor.

Evidence from Seaton Carew Ward Councillors

- 13.19 Seaton Carew Ward Councillors played an active part throughout the investigation and expressed as a priority the need to preserve, improve and maintain the existing facility infrastructure. Emphasis was also placed upon the need through this investigation to focus on achievable actions and objectives in order to not raise expectation above what is deliverable.
- 13.20 Ward Councillors were encouraged to hear about the funding allocated for repairs to the bus station and clock tower. They were, however, clear in their view that additional funding continued to be needed and suggested that regeneration of Seaton Carew should focus on:-
- (i) Improvements and safety of the beach and promenade;
 - (ii) Coastal erosion problems;
 - (iii) Preserving current views with no major developments north of Station Lane;
 - (iv) Ensuring that the Longscar Hall building does not deteriorate any further;
 - (v) Retaining open space to encourage walking on either side of Coronation Drive;
 - (vi) Providing assistance to help to towns other assets i.e. Golf Club, Cricket Club and Churches secure funding;
 - (vii) The effective management of Foreshore. The departure of the Foreshore Manager had been a great loss and it was felt that the co-ordinating of activities along the whole foreshore (from the Headland to Seaton Carew) was a priority;
 - (viii) Providing assistance to businesses in centre of Seaton Carew and encourage the development of a new Business Association;
 - (ix) More regular meetings of SCRAG (Seaton Carew Renewal and Advisory Group) to include businesses and Community leaders;
 - (x) Ensuring that existing community facilities are preserved and improved;
 - (xi) Exploring the possibility of enhancing facilities in the park;
 - (xii) Encouraging businesses and residents to work together; and
 - (xiii) The importance of the provision of basics in terms of toilets and transport as part of the regeneration of the resort.

Evidence from the Town's Member of Parliament

- 13.21 As part of the Forum's investigation the town's MP was invited to give evidence at the meeting on 22 February 2008. Members noted with interest the MP's view of Seaton Carew's as a good quality living environment and key provider of good quality high quality shops, restaurants and housing for the benefit of all residents and visitors. The MP also suggested that:-
- (i) Seaton couldn't, and wouldn't, want to compete with resorts such as Blackpool in terms of its family pull. As such regeneration of the resort needed to focus up offering first class amenities to visitors, preserving and enhancing the facilities (cultural and historical) that are already there. There was also a need to explore how visitors and residents could be encouraged to increase their spend per head to boost economic regeneration;
 - (ii) That discussion with Hartlepool Powerstation had shown a willingness to assist with funding for works on Seaton Bus Station. This was very much in its infancy and needed to be explored further;
 - (iii) In terms of funding, 'pump priming' could not be recovered for use in Seaton, as suggested by a resident. However, the MP continued to do all he could to raise the profile of the area, attract resources and ensure that they are effectively allocated; and
 - (iv) For a town of Hartlepool's size there are a remarkably diverse range of things to do and this needed to be played upon in the marketing of the area. There was also a need to be clear in what kind of destination Hartlepool is and emphasise the how Seaton fits into that as part of the town and not merely a destination in its own right.

Evidence from One North East

- 13.21 To inform its investigation, the Forum invited representatives from One North East (ONE) to submit evidence at its meeting on the 28 February 2008. Members were, however, disappointed to find that it had not been possible to secure their attendance at this meeting and as an alternative course of action requested that arrangements be made for the Chair of the Forum, accompanied by Seaton Wards Councillors, to meet with ONE to discuss the findings of the investigation's Final Report and recommendations.

14. GOOD PRACTICE IN OTHER LOCAL AUTHORITIES

- 14.1 The Forum sought examples of good practice by other local authorities in the regeneration of their coastal communities / towns, with a view to identifying possible areas for improvement in Seaton Carew.
- 14.2 In obtaining examples of good practice, Redcar and Cleveland was identified as a neighbouring Local Authority, along the Coastal Arch, with similar

coastal area / town issues in terms of regeneration. During a visit to Redcar on 28th January 2008, a small number of Forum members gained an understanding of the resort's problems and achievements and the activities being undertaken to progress regenerate the area. A summary of the issues discussed is provided outlined in **Appendix A**. Discussions with officers from Redcar and Cleveland Borough Council reinforced to Members the importance of developing a strategic approach towards regeneration of coastal areas and confirmed that the similar problems were experienced in obtaining funding. Other similar problems were the need to make the most out of what the areas has to offer and the impact of Sites of Scientific Interest on the construction of sea walls.

- 14.3 In considering the issue of regeneration and the provision of sea defences, it was clear to the Forum that the two issues are not mutually exclusive and must be viewed and delivered together. In exploring ways in which this could be done, examples of schemes in Thomton Cleveley were considered, as part of which coastal protection works had been incorporated within a wider regeneration scheme that delivers both the necessary level of protection from natural forces in an unobtrusive way through careful design and consultation.



Schemes in Thomton Cleveley

15. COMMUNITY ENGAGEMENT – THE VIEWS OF MEMBERS OF THE PUBLIC AND LOCAL BUSINESS REPRESENTATIVES

- 15.1 Members of the Forum were keen to engage with the community regarding Seaton Carew's regeneration needs and opportunities as part of this investigation. In addition to giving residents the opportunity to participate in discussions during the course of each of its meetings, the Forum also obtained views through Focus Group sessions and the South Neighbourhood Consultative Forum.

The Views of Seaton Carew Residents and Business Representatives

- 15.2 The Forum sought the views of a sample of Seaton Carew residents and businesses representatives, in a Focus Group event held on 6 February 2008 in Seaton Carew Golf Club (illustrated in the photograph over the page). The

event was publicised in the local press, on local radio / television, via the Council's website, in local Community Centres / libraries and through leaflets to all Seaton Carew businesses.



Focus Group with Seaton Carew residents and local business representatives

15.3 Members of the public and business representatives were given the opportunity to provide their views on the effectiveness of previous regeneration activities in Seaton Carew and the areas future regeneration needs and opportunities. The issues raised at the event were as outlined below:-

- (i) The failure of past regeneration activity to make Seaton Carew more attractive to visitors and the futility of raising expectations / hopes where there is no funding available to do anything about it;
- (ii) Action should have been taken before now and the area not allowed getting into its current condition;
- (iii) The lack of investment in the area and the need to have taken action before now to prevent the area from getting into its current condition, with run down shops, etc, and poor provision of facilities for residents of all ages, particularly young people;
- (iv) The need to prioritise maintenance of existing sites / facilities and the reliance on external funding to maintain facilities;
- (v) The need to address activities of dangerous behaviour at the Sandy car park in Seaton Carew (speeding cars still an issue at the car park on the Old Fairground Site);
- (vi) The poor physical condition of Seaton Carew's clock tower and bus station;



- (vii) The importance of cleanliness / maintenance and the need to improve the overall appearance of the area (i.e. chewing gum on paved areas which is impossible to remove, conditions around the tip area, overfilled litter bins);
- (viii) The need for shop owners to take responsibility for keeping their shop frontages and pavements clean and tidy;
- (ix) The poor condition of Longscar Hall and the negative effect its appearance has on the area;



- (x) That despite the areas growth (in terms of the number of dwellings) and the level of Council Tax paid by its residents, Seaton receives very little in terms of funding; and
 - (xi) That Seaton Carew misses out on funding as a result of it not being, or containing, an area of deprivation.
- 15.4 In addition to the above issues, those present at the Focus Group were asked to suggest priorities and ideas for the future regeneration of Seaton Carew. The following suggestions were made:-
- (i) Ensure that in improving Seaton attention is paid to the provision of facilities for the community and not just the attraction of tourists. Although the need to attract tourism is acknowledged;
 - (ii) Capitalise on the beach and promenade area, to encourage visitors to the area;
 - (iii) Prioritise preserving, enhancing and maintaining existing facilities and activities in Seaton Carew, i.e. painting existing sites / buildings, provision of hanging baskets, flower beds and improvements to the landscape (including the Park);
 - (iv) Spend resources to make the area more attractive, before anything else;
 - (v) Make improvements to existing facilities well in advance of the Tall Ships Event, i.e. ensure that appropriate arrangements/improvements are in place to accommodate crew members and visitors and encourage visitors to return to the area;

- (vi) Undertake work with Seaton Carew B&B providers to help provide the accommodation needed, including possible incentives to encourage improvements;
 - (vii) Explore the introduction / reintroduction of facilities or organised activities, including:
 - (a) a skate board site;
 - (b) roller skating area;
 - (c) sports facilities for teenagers;
 - (d) band stand; and
 - (e) first aid point.
 - (viii) Develop land at the car park;
 - (ix) In encouraging businesses to the area, the Council needs to explore whether the current level of business rates discouraged investors;
 - (x) That when buildings are sold by the Council the inclusion of a requirement / covenant requiring their maintenance should be explored to help prevent similar problems as being experienced with the Longscar Building; and
 - (xi) Emphasis needs to be placed upon the advertising / promotion of activities.
- 15.5 There were also a number of questions raised by those present which could not be answered straight away. These included queries regarding the remove the third stage of water treatment at the plant on the sea front, the state of disrepair of the clock tower and support for the work being undertaken by Seaton Cricket Club in terms of the provision of activities.
- 15.6 Members noted with interest the suggestion that Northumbrian Water Limited (NWL) were considering the remove of the third stage of water treatment at Seaton and supported the view that this should be strongly resisted. This was especially relevant given the need to make the most of what Seaton has to offer, an important part of which is the 'blue flag' beach.
- 15.7 Further details of the questions raised during the course of the Focus Group session, and the responses circulate to all of those who had been present, were outlined in **Appendix B**.

The Views of Young People from Seaton Carew

- 15.8 Members were keen from the beginning of the investigation to listen to the views of Hartlepool young people. In order to facilitate this within the timescale for the investigation, the Chair of the Forum participated in a discussion session on 13 March 2008 with 12 young people, aged 11 to 16, from Dyke House School. Members were aware that this was a relatively

small sample size but were happy to accept the view expressed as a representative of the views of the wider youth population.

- 15.9 The young people, all of whom live in Seaton Carew, were asked for their views on how they feel the area should be regenerated in the future and full details of the opinions expressed are outlined in **Appendix C**. Members were please to see that many of the issues, and suggestions, raised during the investigation were supported by the group of young people. The Forum was also delighted to discover the level of enthusiasm the young people had for their town / community and were impressed by their readiness to be involved in activities for the regeneration of Seaton Carew, whether that is through practical means or assistance in attracting funding. The Forum was keen to see this willingness to be involved further explored.

Views Expressed at the South Neighbourhood Consultative Forum

- 15.10 In seeking the views of residents the Forum recognised the importance of the Neighbourhood Consultative Forums and extended invitations through the north and central consultative forums to attend the Focus Group, on 6 February 2008. In addition to this, views were sought directly from the South Neighbourhood Consultative Forum on the 1 February 2008.
- 15.11 Views expressed by the Neighbourhood Consultative Forum related to the importance of the provision of entertainment in Seaton and the need to utilise public art as part of any regeneration project. Members also received with appreciation Neighbourhood Consultative Forums congratulations on their consultation arrangements as part of the investigation, particularly in terms of the use of the Neighbourhood Consultative Forums, and arrangements for Focus Group sessions.

16. CONCLUSIONS

- 16.1 The Regeneration and Planning Services Scrutiny Forum was of the view that whilst there have been significant improvements in Seaton Carew over recent years it was apparent that this needed to continue to be built upon in the future to respond to the community's needs. Furthermore, the Forum concluded that:-
- (a) In the past whilst long term planning for Seaton' regeneration needs had not always been apparent this had since been addressed with the inclusion of many of the issues raise during the course of the investigation within the Seaton Carew Tourism Strategy;
 - (b) That whilst the Forum had been disappointed that One North East (One) had not been able to participate within this investigation a copy of the Final Report would be forwarded to them with the opportunity to discuss further;

- (c) That it is evident that there is a need to continue to raise the profile of Seaton Carew through regional and sub regional strategies, in particular the Regional Spatial Strategy (RSS);

Funding

- (d) That given the restrictions in the allocation criteria for many funding sources, officers should be commended on their achievements in accessing regeneration funding from central government for Hartlepool, including Seaton Carew;
- (e) That the funding regime for capital, revenue and grant monies for regeneration activities was very complex and that there was a need for the development of a strategic, long term approach to ensure effective utilisation for future schemes;
- (f) That whilst the Council's process for reinvestment of capital receipts was recognised, Members questioned whether capital receipts gained from disposal of land in Seaton Carew could be ring fenced for reinvestment in the resort;

Future Regeneration Activity

- (g) That based upon the evidence received, whilst having been consulted, residents felt that their views and suggestions had not always been taken into consideration as part of past and future regeneration activities in Seaton Carew;
- (h) That the condition and appearance of the bus station, clock tower and Longscar Hall needed to be addressed as a priority for the regeneration process in Seaton Carew;
- (i) That regeneration in Seaton Carew should include the provision of a broader selection of organised activities / events, together with the provision of integrated community facilities, with the proviso that existing facilities should not be removed until new / replacement facilities are available;
- (j) That from the evidence provided it was apparent that the options / suggestions for the future regeneration of Seaton Carew were immense, ranging from small to large scale schemes, as outlined earlier in Sections 13.8, 13.11 and 15.2 of this report;
- (k) That in regenerating Seaton Carew, priority should be given to the preservation and enhancement of what the area already has to offer in terms of attractions, events and facilities for residents and visitors alike. This included the suggested that there should be no future development north of Seaton Lane, on either side of the road;

Local Businesses and Groups

- (l) That it was evident that local businesses and groups were very passionate about Seaton Carew and were keen to be involved in future regeneration schemes, this included Seaton Carew's young people;
- (m) That there were opportunities to encourage local businesses and community enterprise schemes to put something back into the community, either financially or practically, i.e. possible funding from Hartlepool Powerstation for maintenance of Seaton Bus station;

The Development of Land and Buildings

- (n) That there were clearly complex issues surrounding the provision of coastal defence works as part of future regeneration activities, subject to the outcome of the Council's Strategy Study. In light of which, a policy decision will be required regarding future marketing and planning activity for land susceptible to flooding in and around Seaton Carew; and
- (o) That in relation to the Coronation Drive site, it was evident to the Forum that residents felt strongly that the reduction of the green space separating Seaton from the rest of Hartlepool would damage its identity as a 'village' and detract from the overall appearance of the area.

17. RECOMMENDATIONS

- 17.1 The Regeneration and Planning Services Scrutiny Forum has taken evidence from a wide range of sources to assist in the formulation of a balanced range of recommendations. The Forum's key recommendations to the Cabinet are as outlined below:-
- (a) That further opportunities to continue to raise the profile of Seaton Carew on a region and sub regional basis be explored;
 - (b) That consideration be given to 'ring fencing' the reinvestment of any future capital receipts gained from disposal of land in Seaton Carew back into the resort;
 - (c) That the feasibility of the suggested regeneration opportunities, identified during the course of this investigation (Section 13.8, 13.11 and 15.2 of this report refer), be explored as part the development of future regeneration activities in Seaton Carew;
 - (d) That a review of the current provision of organised activities and events be undertaken that identifies options to increase the variety and frequency of events to further attract visitors to the resort;
 - (e) That in recognition of the key role played by local businesses and groups, the benefits of re-establishing the former Seaton Carew Business

Association together with a mechanism to encourage and support the involvement of the wider community (to include Seaton Carew's young people) be explored;

- (f) That the provision of integrated community facilities in Seaton Carew be supported, with the proviso that existing community facilities should not be removed until agreements are in place to deliver new / replacement facilities;
- (g) That pending the outcome of Seaton Carew's Coastal Strategy Study, consideration be given to delaying the establishment of interim arrangements for the marketing and planning activity for land susceptible to flooding in and around Seaton Carew;
- (h) That opportunities to encourage community enterprise schemes in Seaton, be explored;
- (i) That based on the strength of feeling expressed throughout the investigation, the Council should not dispose of land on either side of the road to the north of Seaton Carew (up to, and including, the Coronation Drive / Warrior Park site) for the purpose of further development; and
- (j) That the Council explore the Department for Culture Media and Sport 'Sea Change' funding programme to establish potential opportunities for submission of a bid for Seaton Carew under the remit of the programme.

ACKNOWLEDGEMENTS

The Committee is grateful to all those who have presented evidence during the course of our investigation. We would like to place on record our appreciation, in particular of the willingness and co-operation we have received from the below named:-

Hartlepool Borough Council:

The Mayor, Stuart Drummond – Portfolio Holder for Regeneration and Liveability;
Peter Jackson – Portfolio Holder for Neighbourhoods and Communities;
Councillor Victor Tumilty – The Portfolio Holder for Culture, Leisure and Tourism;
Andrew Golightly, Principal regeneration Officer;
Derek Gouldbum, Urban Policy Manager;
John Mennear, Asst Director (Community Services);
Councillors Hill, Turner and Young (Seaton Carew Ward Councillors);
Stuart Green, Assistant Director (Planning & Economic Development);
Jo Cole, Principal Economic Development Officer (Tourism);
Alan Coulson, Engineering Manager;
Dave Frame, Neighbourhood Manager (South);
Denise Ogden, Head of Neighbourhood Management;
Anthony Steinberg, Economic Development Manager;

External Representatives:

Representatives from Redcar and Cleveland Borough Council;
Rebecca Wise, West View Project;
Ian Doyle and pupils from Dyke House School; and
Representatives from Seaton Carew Renewal and Advisory Group (SCRAG).

**COUNCILLOR S COOK
CHAIR OF THEREGENERATION AND PLANNING SERVICES SCRUTINY
FORUM**

April 2008

Contact Officer: Joan Wilkins, Scrutiny Support Officer
Chief Executive's Department – Corporate Strategy
Hartlepool Borough Council
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BACKGROUND PAPERS

The following background papers were consulted or referred to in the preparation of this report:-

- (k) Scoping Report – Seaton Carew - Regeneration Needs and Opportunities (Regeneration and Planning Services Scrutiny Forum – 6 December 2007);
- (ii) Setting the Scene Presentation – Director of Regeneration and Planning Services (Regeneration and Planning Services Scrutiny Forum – 23 January 2008);
- (iii) Current and Future Community Facility Provision in Seaton Carew and explore their role in the Regeneration of the Area – Assistant Director (Community Services) (Regeneration and Planning Services Scrutiny Forum – 15 February 2008);
- (iv) Seaton Carew Asset Management Issues – Assistant Director (Planning & Economic Development) (Regeneration and Planning Services Scrutiny Forum – 15 February 2008);
- (v) The Marketing of Seaton Carew – Report and Presentation by the Principal Economic Development Officer (Tourism) (Regeneration and Planning Services Scrutiny Forum – 22 February 2008);
- (vi) Seaton Carew - Future Regeneration Needs and Opportunities - Head of Regeneration (Report and Presentation) (Regeneration and Planning Services Scrutiny Forum – 28 February 2008);
- (vii) Presentation of Coast Defence Issues for Consideration in Relation to the Overall Regeneration of Seaton Carew – Director of Neighbourhood Services (Regeneration and Planning Services Scrutiny Forum – 28 February 2008);
- (viii) Hartlepool Tourism Strategy and Local Plan;
- (ix) Seaton Carew Tourism Strategy 2003-08;

- (x) Seaton Carew Tourism Strategy Consultation Update - Recent Survey and Consultation Results (April 2007);
- (xi) Visit Tees Valley Management Action Plan and Business Plan;
- (xii) North East Tourism Strategy;
- (xiii) One North East Coastal Framework;
- (xiv) Regional Economic Strategy;
- (xv) Regional Spatial Strategy;
- (xvi) Tees Valley Coastal Arc Strategy;
- (xvii) Communities and Local Government Select Committee Inquiry into Coastal Towns;
- (xviii) Foreshore Co-ordination Committee (agendas and reports);
- (xix) An Asset and a Challenge: Heritage and Regeneration (English Heritage);
- (xx) Tees Valley City Region Development Programme, Business Case and Investment Plan;
- (xxi) Visit Tees Valley Action Plan; and
- (xxii) Marketing documentation.

APPENDIX A

Redcar and Cleveland Site Visit

Issues discussed:-

- i) It was noted that Redcar received 1.2 million visitors a year and that the local authority is taking a long term view for the development of the town. Also, that the local authority recognises the need for significant investment with a clear view for the future, as it will take 10/15 years for any long term plan to realistically come to fruition.
- ii) Emphasis was placed upon the importance of the development of a 'holistic' approach to regeneration and the benefits this could have in terms of the attraction of funding.
- iii) Members learned that the major issues in relation to Redcar in many ways mirrored those in Seaton Carew, e.g.:-

The Sea Wall - £14/15 million is to be invested in the sea front area / sea wall, including improved coastal defences, the provision of access to the beach and other facilities. The local authority is working closely with the Environment Agency to put into place a design competition for the scheme, a process that has been used elsewhere to explore creativity within the design framework.

Emphasis is being placed on not just the improvement of the sea wall but also the importance of what residents want out of the space. Attention was also drawn to the benefits of the design competition in raising Redcar's profile which could be especially useful when seeking regeneration funding.

Changing Visitor Market - As elsewhere the visitor market in Redcar has changed over the years and whilst there continues to be a relatively high level of visitor to Redcar the 'spend per head' was now relatively low. By way of a means of trying to address this, it had been recognised that there is a gap between the local authority and local traders and an action plan for the next 10 - 20 years is being developed to explore ways of increasing visitor spend.

Reducing Regeneration Funding - Members learned that similar problems were being experienced in Redcar as in Hartlepool regarding the effect of reducing regeneration funding. It was noted that One North East funding is focused upon where the jobs are and in terms of tourism tend to focus on Saltburn as the major tourist town in Redcar and Cleveland.

Getting the Balance Between Local and Tourist Needs - Attention was drawn to the problem of getting the right balance between local and tourist needs and with the major sources of funding being from ONE indications have been in the past that without job creation and visitor revenue generation there will be no funding available for the public realm.

Sites of Special Scientific Interest (SSI) - Similar to Seaton Redcar had neighbouring SSI sites and assurances were given that the works to the sea wall would not affect them. Attention was also drawn to the need to recognise the importance for the role SSI sites could and should play in the attraction of visitors.

APPENDIX B

FURTHER CLARIFICATION ON ISSUES RAISED AT THE FOCUS GROUP SESSION ON THE 6 FEBRUARY 2008

(i) Are there any proposals to improve Seaton Park?

Response – Resident were assured that the Park is being considered as part of an overall approach for Seaton Carew but that at this time there were no specific proposals in place.

(ii) Concerns were expressed regarding the deterioration of the youth club and gym. A resident queried the current proposals for the youth club and gym as it was understood this land had been sold.

Response - The Focus Group were advised that the Council were aware of the poor condition of this facility and various options were currently being considered. A more detailed explanation of the plans for this facility was requested. Regarding Community centre land, there were no proposals for its sale, however, the issue was being considered as part of a wider regeneration leading to a provision of new service facilities fit for the 21st Century. Any change would include space / access and full consultation with the Youth Service.

(iii) What were the future plans for future youth provision and to address anti-social behaviour and drinking in Seaton Carew's streets?

Response – Further to the response to question (ii), which was to include youth provision, there are currently 2 evening session provided at Seaton Centre on a Mon/Wed, with a further evening of detached/mobile work on a Friday. Alcohol is a common issues addressed in all situations. A view that if alternatives were provided to drinking, then young people would not drink is not backed up by the evidence. Young people clearly state they are making a conscious decision to drink, whatever other things are on offer. The issue therefore is complex and is not just a young people's issue, but more of a one for Hartlepool generally. Work with young people under the influence of drink cannot be described as youth work. Often it results in risk minimalisation and health and safety issues for both young people and staff. Often behaviours are such that a police response is the most appropriate, with youth workers challenging behaviours at other times, when young people are more receptive.

(iv) A query was raised in relation to funding that was originally allocated to regenerate the shops at Seaton Carew and for the provision of plants in the park.

Response – During the period 2002 to 2006, funding was provided to local businesses in Seaton Carew under the Heritage Economic Regeneration Scheme (HERS) using Heritage Lottery and Single Programme funds. The aim of the scheme was to seek to restore commercial and retail properties within

Seaton Carew in ways which were sympathetic to their architectural and historic value. Eligible works included structural repairs including roof and timber repairs, stonework repairs and re-pointing, and replacement of windows, doors and shop fronts using to original/traditional designs. Various elements of work initially attracted grants of between 50% and 60% however in response to low take-up at first; the grant level for shop fronts (the most expensive element) was subsequently increased to 75%. The amount of grant available amounted to approximately £370,000 of which around £250,000 was actually spent on 14 properties. The under spend was largely the result of economic conditions at the time (private owners having to find the remaining funds to invest in their property), the relatively small number of retail and commercial properties available and to some extent difficulties in obtaining approvals. This specific fund was strictly limited in terms of timescale and could not be extended over a longer period nor could it be spent on any other form of regeneration. Alongside the business grant programme, the HERS scheme also funded £180,000 worth of public realm improvements in the area between Seaton Lane and Church Street.

(v) Residents queried how much funding was going to be allocated towards the regenerating Seaton Carew?

Response – Residents were advised that there is no specific figure. Funding was being pulled from a variety of different sources and residents were right in that Seaton Carew did miss out on resources as it was not an area of deprivation.

(vi) Where is funding for the Tall Ships going to be allocated and how much, if any, is Seaton Carew going to receive?

Response – There is currently nothing in the budget estimates designated for Seaton Carew in respect of tall Ships. Where Seaton will impact, is on its ability to divert and entertain some of the expected visitor numbers as they park and walk into the marina – an opportunity will exist for Seaton businesses to maximise their trade as we expect that it will be a popular base point for those who then seek to park/ walk / cycle / run into the tall ships event. It is possible that somewhere in Seaton will also be appropriate for a temporary campsite/motor home park etc; however, this will be targeted at encouraging private investment and management.

(vii) What regeneration activities were currently planned for Seaton Carew?

Response – The Group was advised that the purpose of this meeting was to obtain views from as many people as possible to include within the Scrutiny Forum's recommendations. Whilst details of planned regeneration activities will be the subject of separate meetings within the Scrutiny process and will be dependent upon other factors such as securing regeneration funds, investment by the private sector and approval by Cabinet of Portfolio Holders, the following have been identified as potential activities through the Hartlepool Tourism Strategy, the Seaton Carew Tourism Strategy, the Coastal Arc programme and local consultation:-

- a) Seaton Carew Bus Station** – the Council has approved funding of £190,000 to carry out concrete repairs and external redecoration to the bus station and clock tower together with refurbishment of seating and repairs to steps and refurbishment of the clock tower toilets. Further works could be considered in the future as part of a broader upgrade scheme, subject to securing of Heritage Lottery funding.
- b) Seaton Sands** – Consideration has previously been given to marketing the site of the former fairground and car park for mixed- use development, the main objective of which is to attract facilities which will enhance the visitor facilities of Seaton Carew. . A planning brief has previously been prepared which also included the land to the rear (seaward side) of the bus station and a small area of the golf club (which could help facilitate improvements to the golf club facilities). As part of this scheme a study identified a possible commercial opportunity for the development of a gelateria (high quality ice-cream parlour). Although the site was not formally marketed, initial soundings of marketing agents have revealed limited commercial interest to date. The Council has recently agreed to looking at a broader site which may be more 'attractive' to a private sector visitor development and which may help attract government regeneration funding from the Single Programme towards public realm improvements, which is geared up to more 'strategic projects'. This site could include the area between the Longscar Centre and the beach access to the north, which is allocated in the Local Plan for commercial and recreational use and the Rocket House car park which could involve some rationalisation as part of a wider scheme. A revised planning brief will be prepared in due course which would be subject to public consultation. Any marketing of this land would be subject to investigations which are due to be initiated in relation to sea defences at Seaton Carew.
- c) Community Facilities** – See question (ii)
- d) Other Regeneration Activities** – would be subject to identification of resources but would be guided by priorities identified in the Seaton Carew Tourism Strategy which was reviewed last year and from this Scrutiny process.
- (viii) Reference was made to the blue flag status recently awarded for Seaton beach and the importance of retaining this status was highlighted. It was suggested that the application of Northumbrian Water to cease the ultraviolet treatment of waste being discharged into the sea should be strongly opposed.**

Response – With regard to the Blue Flag query, the local authority has applied for Blue Flag status for 2008 and the results are expected to be announced shortly. This has been undertaken by the Adult and Community Services Department. A letter opposing the suggested winter seasonal termination of ultra violet (tertiary) treatment at the sewerage works was forwarded to the Environment Agency last year. Whilst we have not received any further information, initial indications were that this proposal by Northumbrian Water was unlikely to be agreed.

The application to for variation of the discharge consent to remove the UV treatment outside of the bathing water season is with senior officials at DEFRA for consideration by the Secretary of State on whether to call in the application for determination at a public enquiry.

(ix) Residents queried how much on the Council's overall Council Tax were generated from Seaton Carew and what percentage of that did the area receive back?

Response – The Council's budget is not managed on a geographic basis but on a service basis. This means the Council has budgets for different services, such as Libraries, Mill House Leisure Centre, Beach lifeguards, Older People Care, Children's Fostering services, highways maintenance, refuse collection etc. This is the most effective way of managing and delivering services as many services are provided for all Hartlepool residents, irrespective of where they live. This means that we don't record how much Council Tax is spent by area. This is because your Council Tax helps pay for the full range of services provided by the Council. For example, all Council Tax payers help pay for the cost of providing beach lifeguards, not just the residents of wards with a beach. Similarly, all Council Tax payers help pay for the costs of the central library and the Mill House Leisure Centre which are both in the Stranton Jackson ward and are facilities which all residents can use.

(x) What are the proposals for the library in Seaton Carew?

Response – No change to the current Library situation is imminent, but again, this will lend itself to renewal and incorporation into a single 'new neighbourhood facility' if this could be achieved. The aim will be to provide improved facilities without losing current facility provision, i.e. a phased approach, although there is a long way to go.

APPENDIX C

ISSUES RAISED BY YOUNG PEOPLE AT THE SESSION ON THE 13 MARCH 2008

What the young people like about living in Seaton Carew

- (i) The town is very scenic and a good place to live, although at the present there are more negatives than positives for young people living in the area in terms of the limited amount of activities available specifically for them (sports and otherwise);
- (ii) The local authority is doing well with the regeneration work it has done already, although there is still work to be done;
- (iii) The clock tower is beautiful in its own 'scruffy' way and the sea front promenade looks fantastic;
- (iv) The activities put on at the Rugby Club are great and the work put in by the coaches in terms of time and money should be recognised;
- (v) The junior school in Seaton is great and it would be fantastic if there could also be a senior school;

What the young people would like to see done in Seaton Carew

- (vi) The whole of the town needs some 'tender loving care' and the sea front needs to be made more presentable (i.e. paint, flowers, bunting, fronts of buildings etc.);
- (vii) Seaton Library is too small and tends to be used by children rather than young people. The provision of a facility combining a library, junior school and community centre would be a good idea;
- (viii) Seaton Junior School should be kept open. The closure of the junior school would be a bad idea as it will make people travel further and damage the environment;
- (ix) The bus station / clock tower needs to be repaired and should not be knocked down;
- (x) The provision of a bus between the Headland, Marina, Seaton and Saltholme would be a good idea in the summer and young people would use it. It would be great as part of the Tall Ships event and good for the environment if it meant that people use their cars less;
- (xi) The green space between Seaton and the rest of Hartlepool needs to be left alone and no houses built upon it (i.e. Coronation Drive);
- (xii) What's on needs to be publicised better (i.e. public notice boards, etc);

- (xiii) Sea defences need to be maintained and improved. If there is not sea wall then there is no Seaton Carew;
- (xiv) More events need to be organised (i.e. a town talent competition, something similar to the Headland Carnival, surfing and extra fun days);
- (xv) In terms of waste disposal sites:
 - The smell and look of the sites damages the image of Seaton Carew and ways of screening them from homes and main roads, including the planting of trees and shrubs should be looked at. This would also be good for the environment; and
 - A way needs to be found to stop rubbish (mainly plastic bags) from the waste disposal sites blowing into Seaton or it needs to be removed as soon as possible to stop the place looking untidy.
- (xvi) In terms of the Longscar Hall:
 - The building needs to be looked at in terms of either knocking it down, finding an alternative use for it or making its current owners look after it; and
 - The dual use of the site as possibly a youth centre / facility should be looked at.
- (xvii) The provision of a music venue in Seaton (i.e. possibly Longscar, Coasters);
- (xviii) The new restaurant unit(s) built on the sea front (which are now empty) should not have been built and have spoilt the view;
- (xix) In terms of the 'Sandy' Car Park:
 - As young people like to get together in the 'sandy' car park, something needs to be done about its condition and that of the surrounding area (i.e. filling of pot holes, cut back overgrowth and removal of rubbish); and
 - It was recognised that there is an issue with the use of the 'sandy' car park by young people in cars and the associated noise; however, it was felt that it removed such problems from the main road.
- (xx) In terms of the Youth Centre and Sports Hall:
 - Young people don't use the Youth Centre very much as it was often closed and there is not a lot on for them when it is open;
 - Young people would like to be able to use the Sports Hall more and take part in activities such as badminton;

- There isn't enough space to play football outside the Sports Hall and what is available is too wet; and
- Are not aware of what's on in either of the facilities and feel there a need to be better publicity.

(xxi) In terms of Seaton Park and Dodds Field:

- Young people sit in Dodds Field in the summer but don't have anywhere to go in the winter / bad weather, aside for sitting in the bus shelter (which smells) and arcades (where owners and parents don't want them to be);
- It was suggested that Dodds Field or Seaton Park might be a good area for the provision of an all weather pitch / flood lights or a youth shelter, although young people were aware of the issues this might raise for residents living close to the site; and
- The provision of a Youth Shelter could take a lot of young people off the sea front and provide them with somewhere to go.

CABINET REPORT

9 June 2008



Report of: Regeneration and Planning Services Scrutiny Forum

Subject: **FINAL REPORT – SEATON CAREW'S
REGENERATION NEEDS AND OPPORTUNITIES**

SUMMARY

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to outline the findings and conclusions of the Regeneration and Planning Services Scrutiny Forum's investigation into 'Seaton Carew's Regeneration Needs and Opportunities'.

2. SUMMARY OF CONTENTS

- 2.1 The Final Report outlines the overall aim of the scrutiny investigation, terms of reference, methods of investigation, findings, conclusions, and subsequent recommendations.

3. RELEVANCE TO CABINET

- 3.1 It is Cabinet's decision to approve the recommendations in this report.

4. TYPE OF DECISION

- 4.1 This is a Non-key decision.

5. DECISION MAKING ROUTE

- 5.1 The final report was approved by Scrutiny Co-ordinating Committee on 18 April 2008. Cabinet is requested to consider, and approve, the report at today's meeting.

6. DECISION(S) REQUIRED

- 6.1 Cabinet is requested to approve the recommendations outlined in section 17.1 of the bound report, which is attached to the back of the papers for this meeting.

CABINET REPORT

9th June 2008



Report of: Director of Regeneration and Planning Services

**Subject: SCRUTINY INVESTIGATION INTO SEATON CAREW
REGENERATION NEEDS AND OPPORTUNITIES –
ACTION PLAN**

SUMMARY

1. PURPOSE OF REPORT

- 1.1 To agree an Action Plan in response to the findings and subsequent recommendations of the Regeneration and Planning Services Scrutiny Forum's investigation into Seaton Carew's regeneration needs and opportunities.

2. SUMMARY OF CONTENTS

- 2.1 The report provides brief background information into the 'Seaton Carew's Regeneration Needs and Opportunities' Scrutiny Investigation and provides a proposed Action Plan (**Appendix A**) in response to the Scrutiny Forum's recommendations.

3. RELEVANCE TO CABINET

- 3.1 To assist the Cabinet in its determination of either approving or rejecting the proposed recommendations of the Regeneration and Planning Services Scrutiny Forum, attached as **Appendix A** is the proposed Action Plan for the implementation of these recommendations which has been prepared in consultation with the appropriate Portfolio Holder(s).

4. TYPE OF DECISION

- 4.1 Non-Key.

SCRUTINY INVESTIGATION INTO SEATON CAREW REGENERATION NEEDS AND
OPPORTUNITIES – ACTION PLAN – 9.6.2008

5. DECISION MAKING ROUTE

- 5.1 The Action Plan and the progress of its implementation will be reported to the Regeneration and Planning Services Scrutiny Forum on 17th July 2008 (subject to availability of the appropriate Portfolio Holder(s)).

6. DECISION REQUIRED

- 6.1 That Members of the Cabinet approve the Action Plan (**Appendix A refers**) in response to the recommendations of the Regeneration and Planning Services Scrutiny Forum's investigation into 'Seaton Carew's Regeneration Needs and Opportunities'.

Report of: Director of Regeneration and Planning Services

**Subject: SCRUTINY INVESTIGATION INTO SEATON
CAREW'S REGENERATION NEEDS AND
OPPORTUNITIES – ACTION PLAN**

1. PURPOSE OF REPORT

- 1.1 To agree an Action Plan in response to the findings and subsequent recommendations of the Regeneration and Planning Services Scrutiny Forum's investigation into Seaton Carew's regeneration needs and opportunities.

2. BACKGROUND INFORMATION

- 2.1 To assist the Cabinet in its determination of either approving or rejecting the proposed recommendations of the Regeneration and Planning Services Scrutiny Forum's investigation into Seaton Carew's regeneration needs and opportunities, attached as **Appendix A** is the proposed Action Plan for the implementation of these recommendations which has been prepared in consultation with the appropriate Portfolio Holder(s).
- 2.2 The overall aim of the investigation was to consider the effect of past regeneration investment in Seaton Carew and explore the area's future regeneration needs and opportunities.

3. ACTION PLAN

- 3.1 As a result of the Regeneration and Planning Services Scrutiny Forum's investigation into Seaton Carew's regeneration needs and opportunities, the following recommendations have been made:-
- (a) That further opportunities to continue to raise the profile of Seaton Carew on a region and sub regional basis be explored;
 - (b) That consideration be given to 'ring fencing' the reinvestment of any future capital receipts gained from disposal of land in Seaton Carew back into the resort;

SCRUTINY INVESTIGATION INTO SEATON CAREW REGENERATION NEEDS AND
OPPORTUNITIES – ACTION PLAN – 9.6.2008

- (c) That the feasibility of the suggested regeneration opportunities, identified during the course of this investigation (Section 13.8, 13.11 and 15.2 of the final report refer), be explored as part the development of future regeneration activities in Seaton Carew;
 - (d) That a review of the current provision of organised activities and events be undertaken that identifies options to increase the variety and frequency of events to further attract visitors to the resort;
 - (e) That in recognition of the key role played by local businesses and groups, the benefits of re-establishing the former Seaton Carew Business Association together with a mechanism to encourage and support the involvement of the wider community (to include Seaton Carew's young people) be explored;
 - (f) That the provision of integrated community facilities in Seaton Carew be supported, with the proviso that existing community facilities should not be removed until agreements are in place to deliver new / replacement facilities;
 - (g) That pending the outcome of Seaton Carew's Coastal Strategy Study, consideration be given to delaying the establishment of interim arrangements for the marketing and planning activity for land susceptible to flooding in and around Seaton Carew;
 - (h) That opportunities to encourage community enterprise schemes in Seaton, be explored;
 - (i) That based on the strength of feeling expressed throughout the investigation, the Council should not dispose of land on either side of the road to the north of Seaton Carew (up to, and including, the Coronation Drive / Warrior Park site) for the purpose of further development; and
 - (j) That the Council explore the Department for Culture, Media and Sport 'Sea Change' funding programme to establish potential opportunities for submission of a bid for Seaton Carew under the remit of the programme.
- 3.2 Members' attention is drawn particularly to recommendation (i), that the Council should not dispose of land off Coronation Drive for development. This recommendation is contrary to the previous discussions of Cabinet.
- a) to endorse an approach to the provision of affordable housing in Hartlepool (minute 101, 1st October, 2007).
 - b) to authorise consultation with local stakeholders and the public on draft marketing particulars for various sites in Seaton Carew for a mix of community facilities and affordable housing and report back to Cabinet in the light of that consultation (minute 192, January, 2008).

Both of those decisions included consideration of the Coronation Drive site and officers are currently preparing material for public consultation on potential marketing of Seaton Carew sites, including Coronation Drive, as authorised by minute 192. Cabinet is requested to consider whether it would wish the consultation exercise to include Coronation Drive or whether to delete it from the exercise and effectively abandon plans to explore such development, in the light of the Scrutiny forum's recommendation.

- 3.3 An Action-Plan in response to these recommendations has now been produced in consultation with the appropriate Portfolio Holder(s) and is attached at **Appendix A** which is to be submitted to the Regeneration and Planning Services Scrutiny Forum on 17th July 2008 (subject to the availability of appropriate Portfolio Holder(s)).

4. RECOMMENDATION

- 4.1 Cabinet is requested to approve the Action Plan attached as **Appendix A** in response to the recommendations of the Regeneration and Planning Services Scrutiny Forum's investigation into Seaton Carew's regeneration needs and opportunities.

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Seaton Carew – Regeneration Needs and Opportunities

DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
(a)	<p>That further opportunities to continue to raise the profile of Seaton Carew on a region and sub regional basis be explored;</p>	<ul style="list-style-type: none"> Officers are involved in continuous engagement with One North East and Tees Valley Unlimited regarding the Seaton Sands/Seaton Front development site, to take forward regeneration proposals (following the outcome of the Coastal Strategy Study) as outlined in the Tees Valley Investment Plan. Seaton is a priority within the Coastal Arc Strategy and officers will work to ensure the Coastal Arc objectives (including Seaton Carew) are included in the Tees Valley Multi Area Agreement. 	<p>Derek Gouldburn</p> <p>March 2010</p> <p>September 2008</p>
(b)	<p>That consideration be given to 'ring fencing' the reinvestment of any future capital receipts gained from</p>	<ul style="list-style-type: none"> Detailed joint report to be taken to Cabinet by Director of Regeneration, Director of 	<p>Stuart Green/ John Mennear</p> <p>December 2008</p>

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Seaton Carew – Regeneration Needs and Opportunities

DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
	disposal of land in Seaton Carew back into the resort;	Neighbourhood Services and Director of Adult and Community Services regarding future management and development of HBC assets in Seaton Carew. Cabinet will therefore determine the land disposal and destination of any capital receipt.	
(c)	That the feasibility of the suggested regeneration opportunities, identified during the course of this investigation (Section 13.8, 13.11 and 15.2 of the final report), be explored as part the development of future regeneration activities in Seaton Carew;	<ul style="list-style-type: none"> Officer working group to be established to consider the feasibility of suggested regeneration opportunities outlined in the final report. The outcome of this initial feasibility work to feed into recommendation (j). 	Andy Golightly September 2008
(d)	That a review of the current provision of organised activities and events be undertaken that	<ul style="list-style-type: none"> Review of organised activities to be considered by working group identified in (c) and fed into 	Andy Golightly December 2008

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Seaton Carew – Regeneration Needs and Opportunities

DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
	recommendation (j).		
(e) That in recognition of the key role played by local businesses and groups, the benefits of re-establishing the former Seaton Carew Business Association together with a mechanism to encourage and support the involvement of the wider community (to include Seaton Carew's young people) be explored;	<ul style="list-style-type: none"> Assess the demand for a Business Forum including taking soundings from the business community. Review of membership and operation of Seaton Carew Renewal and Advisory Group (SCRAG) in Seaton to be undertaken to ensure wider community membership. 	Antony Steinberg/Andy Golightly	December 2008
(f) That the provision of integrated community facilities in Seaton Carew be supported, with the proviso that existing community	<ul style="list-style-type: none"> The future management of HBC owned assets and community facilities in Seaton will be subject to a detailed Cabinet report 	Stuart Green/John Mennear	December 2008

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Seaton Carew – Regeneration Needs and Opportunities

DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
	referred to in (b) and (i).		
(g) That pending the outcome of Seaton Carew's Coastal Strategy Study, consideration be given to delaying the establishment of interim arrangements for the marketing and planning activity for land susceptible to flooding in and around Seaton Carew;	<ul style="list-style-type: none"> Report to Cabinet from Director of Neighbourhood Services regarding the outcome of the Coastal Strategy Study. The results of the study will influence the timing of further marketing of main seafront development sites in Seaton. Other sites in Seaton brought forward for development will be subject to the standard flood risk analysis as part of the planning application process. 	Alan Coulson	January 2010
(h) That opportunities to encourage community enterprise schemes in Seaton, be explored;	<ul style="list-style-type: none"> Council Officers to liaise with key groups within the Voluntary and Community Sector to determine 	Mick Emmerson/Andy Golightly	December 2008

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

NAME OF SCRUTINY ENQUIRY: Seaton Carew – Regeneration Needs and Opportunities

DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION		EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
		the potential of social/community enterprise schemes in Seaton and access to funding.		
(i)	That based on the strength of feeling expressed throughout the investigation, the Council should not dispose of land on either side of the road to the north of Seaton Carew (up to, and including, the Coronation Drive / Warrior Park site) for the purpose of further development.	<ul style="list-style-type: none">Consideration of marketing of the Coronation Drive site reported to Cabinet	Stuart Green	9 June 2008
(j)	That the Council explore the Department for Culture Media and Sport 'Sea Change' funding programme to establish potential opportunities for submission of a bid for Seaton Carew under the remit of the programme.	<ul style="list-style-type: none">Regeneration Team to assess the eligibility criteria for Sea Change funding, explore with partners the opportunities for match funding and potential project ideas.Content of any bid to the Sea Change fund to be reported to	Derek Gouldburn	December 2008

8.1 (b) APPENDIX A

OVERVIEW AND SCRUTINY ENQUIRY ACTION PLAN

NAME OF FORUM: Regeneration and Planning Services Scrutiny Forum

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DECISION MAKING DATE OF FINAL REPORT: April 2008

RECOMMENDATION	EXECUTIVE RESPONSE / PROPOSED ACTION	LEAD OFFICER	DELIVERY TIMESCALE
	Portfolio Holder for Regeneration and Liveability.		