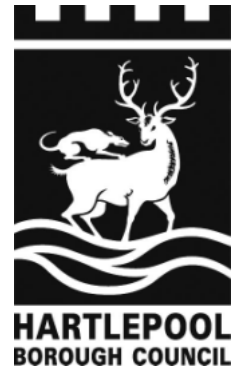


REGENERATION AND PLANNING SERVICES SCRUTINY FORUM AGENDA



Thursday, 4 March 2010

at 3.00 pm

**in the Hartlepool Innovation Centre,
Queen's Meadow Business Park, Hartlepool**

MEMBERS: REGENERATION AND PLANNING SERVICES SCRUTINY FORUM:

Councillors R W Cook, S Cook, Cranney, Gibbon, A E Lilley, London, McKenna, Rogan and Wright

Resident Representatives:

Ted Jackson, John Lynch and Iris Ryder

- 1. APOLOGIES FOR ABSENCE**
- 2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**
- 3. MINUTES**
 - 3.1 To confirm the minutes of the meeting held on 18 February 2010 (*to follow*)
- 4. RESPONSES FROM THE COUNCIL, THE EXECUTIVE OR COMMITTEES OF THE COUNCIL TO FINAL REPORTS OF THIS FORUM**

No items.

5. **CONSIDERATION OF REQUEST FOR SCRUTINY REVIEWS REFERRED VIA SCRUTINY CO-ORDINATING COMMITTEE**

No items.

6. **CONSIDERATION OF PROGRESS REPORTS / BUDGET AND POLICY FRAMEWORK DOCUMENTS**

No items.

7. **ITEMS FOR DISCUSSION**

Scrutiny Investigation into Hartlepool's Business Incubation System

7.1 Business Evidence

- (a) Covering Report – *Scrutiny Support Officer*;
- (b) Presentation on Comparison to National Figures – *Economic Development Manager*;
- (c) Evidence from UK Steel Enterprises; and
- (d) Evidence from Local Businesses.

8. **ISSUES IDENTIFIED FROM FORWARD PLAN**

9. **ANY OTHER ITEMS WHICH THE CHAIRMAN CONSIDERS ARE URGENT**

ITEMS FOR INFORMATION

- i) **Date of Next Meeting :- Thursday, 25 March 2010 at 3.00 pm in the Council Chamber, Civic Centre, Hartlepool**

REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

MINUTES

18 February 2010

The meeting commenced at 3.00 pm in the Hartlepool Enterprise Centre

Present:

Councillor: Councillor Trevor Rogan (In the Chair)

Councillors: Rob W Cook, Kevin Cranney, Steve Gibbon, and
Frances London

Resident Representatives:

Ted Jackson, John Lynch and Iris Ryder

Officers:

Antony Steinberg, Economic Development Manager
Mick Emerson, Principal Economic Development Officer
(Business Services)
James Walsh, Scrutiny Support Officer
Denise Wimpenny, Principal Democratic Services Officer

53. Apologies for Absence

Apologies for absence were submitted on behalf of Councillors A Lilley and Wright.

54. Declarations of interest by Members

Councillor Cranney declared a non-prejudicial interest in minute 59.

55. Minutes of the meeting held on 21 January 2010

Confirmed.

56. Responses from the Council, the Executive or Committees of the Council to Final Reports of this Forum

None.

57. Consideration of request for scrutiny reviews referred via Scrutiny Co-ordinating Committee

None.

58. Consideration of progress reports/budget and policy framework documents

None.

59. Scrutiny Investigation into Hartlepool's Business Incubation System - Setting the Scene Report *(Director of Regeneration and Neighbourhoods)*

The Economic Development Manager submitted a report setting the scene for the Forum's investigation into the business incubation system in Hartlepool. The report outlined the reasons why Hartlepool needed to develop a more sustainable economy, the development of the DTZ PIEDA Business Incubation Strategy, development of funding mechanisms, integration of key partners, delivery of physical infrastructure and the implementation of the Business Support Framework.

In addition, the Economic Development Manager and Principal Economic Development Officer (Business Services) provided a detailed and comprehensive presentation which included the following issues:-

- Background and Historical Position
- Community Strategy Aim
- Challenges since 2000 - lowest no of business start ups in Tees Valley, unemployment rate at 7.3%, 25% of adults of working age on state benefit, employment rate at 64.5%, changing inward investment patterns, global competition, declining historical engineering and manufacturing industries, reduced funding from Central Government and EU
- Strategic Development and Priorities
DTZ Incubation Strategy (2002)
main recommendations
 - Implementation of bespoke incubation system
 - Creation of enterprise 'Hot House'
 - Enhance existing managed workspace
 - Address shortage of move on accommodation
 - Development of partnership working framework
- Enterprising Hartlepool
Details and examples of businesses involved in group of local entrepreneurs
Mutual support
Encourage inter-trading
Improve communication

- Raise profile of Hartlepool Businesses (Business Awards)
 - Improve the number and quality of businesses
- Development of Supply Chain
- Access to Markets
- Access to Finance
- Areas Based Business Partnerships
- Development of Local Partnerships
- Incubation Physical Infrastructure
- Incubation Units – Innovation Centre, UKSE Extension, Hartlepool Enterprise Centre
- Need for further quality accommodation for growing small businesses currently in Enterprise Centre and Innovation Centre
- Current Occupancy Rates
- Future Challenges/Activities

Following the conclusion of the presentation discussion ensued during which the following issues were raised:-

- (i) In response to concerns regarding the difficulties faced by small businesses in obtaining financial support, it was reported that whilst the Council did not have the resources to financially support all small businesses, there was a broad range of assistance available and the Council did promote the business rates relief scheme to assist with financial difficulties.
- (ii) In relation to access to grant funding, a query was raised as to why grants were limited or unavailable to the retail business sector. The Forum was advised that the Council were unable to support all businesses in the town. The types of support to retailers had generally been part of a broader strategy ie neighbourhood action plan work or business premises modernisation funding. Some of the difficulties in accessing funding were outlined which including the strict criteria in terms of eligibility for grant funding.
- (iii) In response to some concern regarding the recent initiative to encourage businesses to take up licences in the market place and the impact of this initiative on competition, the Economic Development Manager advised that of the 15 businesses who had been involved in the scheme, 10 had taken up licences in the Town, with a few more likely.
- (iv) The importance of businesses being able to access markets outside of Hartlepool and enable new businesses to flourish and grow was highlighted. Reference was made to the impact of other businesses outside the town on the local economy, the issue of duplication of businesses resulting in businesses struggling to survive, the need to close the gaps and the need to respond to changes with the markets. The Assistant Director commented on the value of liaising with Business Link to recognise established partners and minimising duplication.
- (v) Further discussion ensued on the grant system and eligibility criteria, the work currently being undertaken on the shop front

- parades, development of local partnerships and the work currently undertaken on promoting Hartlepool as a business location.
- (vi) A Resident Representative referred to access difficulties to pavements as a result of inappropriate parking by shop owners on shopping parades and commented on the benefits of the Council linking in with businesses to address this issue.
 - (vii) A Member commented on the continuing demand for incubated business units and emphasised the benefits of development in disadvantaged communities.
 - (viii) With regard to the loss of NRF funding in 2011 and the impact on the Council's delivery of services, a Member queried what strategy was in place to address this issue. The Economic Development Manager reported that work was currently underway on a future strategy to deal with the loss of area based grant funding.
 - (ix) Following a request for clarification regarding the criteria for the Art and Culture Grant and whether this could be utilised to fund the art work on the disused platform of the railway station, the Scrutiny Support Officer agreed to explore this issue with the appropriate officer and respond to Members under separate cover.

Recommendation

That the information given be noted and the comments of the Forum and evidence provided be used to assist with the scrutiny investigation.

60. Issues Identified from Forward Plan

None

61. Date and Time of Next Meeting

It was reported that the next meeting would be held at 3.00 pm on Thursday 4 March 2010 at Hartlepool Innovation Centre, Queens Meadow Business Park, Hartlepool.

The meeting concluded at 4.35 pm.

CHAIRMAN

REGENERATION AND PLANNING SERVICES SCRUTINY FORUM

04 March 2010



Report of: Scrutiny Support Officer

Subject: HARTLEPOOL'S BUSINESS INCUBATION SYSTEM
– BUSINESS EVIDENCE – COVERING REPORT

1. PURPOSE OF THE REPORT

- 1.1 To provide Members with an introduction to the evidence gathering session as part of this Forum's investigation into 'Hartlepool's Business Incubation System'.

2. BACKGROUND INFORMATION

- 2.1 Members will recall that at the meeting of this Forum on 5 November 2009 the Terms of Reference and Potential Areas of Inquiry / Sources of Evidence were approved by the Forum for this scrutiny investigation into 'Hartlepool's Business Incubation System'.
- 2.2 Subsequently at today's meeting a number of presentations will be received by Members of the Regeneration and Planning Services Scrutiny Forum surrounding those organisations involved with the Business Incubation System in Hartlepool.
- 2.3 Detailed below are the organisations and representatives who have agreed to provide evidence on their involvement with business incubation in Hartlepool:-
- (a) **Economic Development Manager** – providing a presentation on the comparison of Hartlepool's Business Incubation System to national and local figures;

- (b) **UK Steel Enterprise** – providing evidence as developers of the 20,000 sq ft Innovation Centre at Queen's Meadow Business Park and their role in Hartlepool's Business Incubation System; and
- (c) **Local Businesses** – providing evidence around their experiences of the business incubation system in Hartlepool.

3. RECOMMENDATIONS

- 3.1 That Members note the content of this report and the presentations from the representatives detailed in section 2.3, seeking clarification on any relevant issues where felt appropriate.

Contact Officer:- James Walsh – Scrutiny Support Officer
Chief Executive's Department – Corporate Strategy
Hartlepool Borough Council
Telephone Number: 01429 523647
E-mail – james.walsh@hartlepool.gov.uk

BACKGROUND PAPERS

The following background papers were used in the preparation of this report:-

- (i) Report of the Scrutiny Support Officer entitled 'Scrutiny Investigation into Hartlepool's Business Incubation System – Scoping Report,' presented at the meeting of the Regeneration and Planning Services Scrutiny Forum of 5 November 2009.