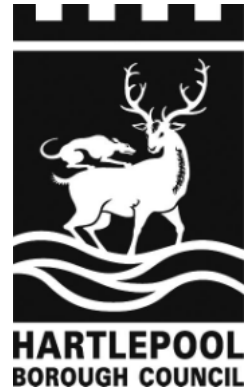


REPLACEMENT AGENDA

REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

DECISION SCHEDULE



Friday, 15 October 2010

at 3.30 pm

in Committee Room A, Civic Centre, Hartlepool

Councillor P Hargreaves, Cabinet member responsible for Regeneration and Economic Development will consider the following items.

1. KEY DECISIONS

No items

2. OTHER ITEMS REQUIRING DECISION

- 2.1 Local Enterprise Partnerships Update – *Assistant Director (Regeneration and Neighbourhoods)*
- 2.2 Tees Valley Economic Regeneration Investment Plan – *Assistant Director (Regeneration and Neighbourhoods)*

3. ITEMS FOR INFORMATION

- 3.1 Update In Respect Of The “Buy Local” Campaign – *Assistant Director (Regeneration and Neighbourhoods)*
- 3.2 Tees Valley Enterprise Arcade – *Assistant Director (Regeneration and Neighbourhoods)*
- 3.3 Support For Retail Businesses – *Assistant Director (Regeneration And Neighbourhoods)*

REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder

15 October 2010



Report of: Assistant Director (Regeneration and Planning)

Subject: LOCAL ENTERPRISE PARTNERSHIPS
UPDATE

SUMMARY

1. PURPOSE OF REPORT

To provide a progress report on the setting up of Local Enterprise Partnerships (LEPs) in response to the Government's decision to abolish Regional Development Agencies (RDAs).

2. SUMMARY OF CONTENTS

The report provides background information regarding the Government's decision to abolish RDAs and replace them with LEPs. In particular it outlines the current position with regard to the North East region and the proposals for a Tees Valley LEP based on the existing sub-regional structures established through Tees Valley Unlimited (TVU).

3. RELEVANCE TO PORTFOLIO MEMBER

Whilst LEPs will be important strategic bodies covering a broad range of activities, their primary focus will be around the contribution they can make to economic growth. This falls within the remit of the Portfolio Holder. In addition, LEPs could act as single sub-regional bodies with wholesale devolved budget responsibility from Government covering key issues such as housing development, major regeneration, business support, tourism, skills, transport and environment.

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

Portfolio Holder 15 October 2010.

6. DECISION(S) REQUIRED

The Portfolio Holder is requested to note the progress made towards the establishment of a LEP for the Tees Valley sub-region.

7. RECOMMENDATIONS

7.1 It is recommended that the Portfolio Holder,

- a) Note the progress made with regard to the development of a Tees Valley bid for a LEP.
- b) Agree to receive further update reports as events unfold.

Report of: Assistant Director (Regeneration and Planning)

Subject: LOCAL ENTERPRISE PARTNERSHIPS
UPDATE

1. PURPOSE OF REPORT

- 1.1 To provide a progress report on the setting up of Local Enterprise Partnerships (LEPs) in response to the Coalition Governments decision to abolish Regional Development Agencies (RDA's).

2. BACKGROUND

- 2.1 In June 2010 the Government finally announced its intention to abolish RDA's following months of speculation about their future in the run up to the May General Election.

- 2.2 The announcement was made as part of The Budget document which, as well as confirming the fate of the RDAs, paved the way for the setting up of LEPs and in doing so the Government stated that it's intention was to enable locally elected leaders, working with businesses, to lead local economic development.

- 2.3 A white paper on local economic growth expected later this year will focus on the detail of the proposals highlighted however, it is expected to cover the following three key ambitions of the Government.

- To support the creation of strong local enterprise partnerships, particularly those based around England's major cities or other natural economic areas, to enable improved coordination of public and private investment in transport, housing, skills, regeneration and other areas of economic development.
- To consider the most appropriate framework of incentives for Local Authorities to support growth, including exploring options for business rates and council tax incentives which would allow Local Authorities to reinvest the benefits of growth into local communities, and:-
- As part of the shift to a more locally driven planning regime, promote the role of a simplified planning consents process in specific areas where there is potential or need for business growth, through the use of Local Development Orders.

- 2.4 In order to support the push for economic growth through the LEPs, the Government also announced the launch of the Regional Growth

Fund. The estimated £1bn fund announced as part of the budget has now closed for consultation and officers from the Council have been able to feed in comments through a TVU co-ordinated response. The two year Regional Growth Fund is intended to provide support for sustainable economic growth projects and create new private sector jobs in areas that have traditionally been reliant on public sector employment. The Tees Valley is one such area and indeed in a recently released report commissioned by the Government and carried out by consultants, Experian, the Tees Valley and Middlesbrough, Redcar and Hartlepool in particular were highlighted as places which would be vulnerable due to the predominance of public sector employment.

- 2.5 Alongside this shift away from regionally led locally led economic growth, the Government will transfer some former RDA functions, including trade and investment promotion, sector leadership, innovation, business support and access to finance, in order that they be led nationally through the Department for Business, Innovation and Skills (BIS) though with devolved local management in many cases. These arrangements have yet to be clarified.

3. LOCAL ENTERPRISE PARTNERSHIPS - THE REGIONAL PICTURE

- 3.1 Following the closing date for submissions for Local Enterprise Partnership proposals, a total of 56 bids were received by the government including 6 from the North East region. The 6 submissions from the North East are:

- Northumberland and North Tyneside
- Newcastle and Gateshead
- South Tyneside and Sunderland
- Durham
- Tees Valley
- North East Economic Partnership

- 3.2 In the lead up to the deadline for bids, there has been significant debate across the region, both at a political and business level about the shape of a LEP or LEPs in the region, with some calls for it to reflect the boundaries of One North East. This has led to a two tier approach being promoted in the region with 5 sub-regional bids coming forward, including Tees Valley, (see **Appendix 1**) and a regional bid promoted through the Association of North East Councils the North East Economic Partnership bid (ANEC) and the Northern Business Forum (NBF).

- 3.3 Local authorities and business organisations in the North East have reached an agreement on six strategic topic areas where the natural functional economic geography for delivery in the area is across the

North East, rather than specifically at the sub-regional level, they are as follows,

- The promotion of productivity, enterprise and business growth through developing innovation and exploiting research and development capabilities.
- The development of sectors that are strategic to the UK and are clustered in the North East, such as low carbon vehicles, offshore wind, chemicals and process industries.
- Account managing and supporting enquiries for new investment from both existing businesses and inward investors.
- Bidding for and programme managing the European Regional Development Fund (ERDF) and successor funds and the Rural Development Programme for England.
- The development and delivery of new approaches to financing and supporting business growth, and
- Providing strategic input on other key related areas linked to economic growth such as integrated transport and energy investment.

To a greater or lesser extent these six regionally strategic topic areas broadly reflect the functions earmarked to be led nationally through BIS (highlighted at 2.5 in this report) leaving the door open for the North East Regional Partnership to act as the devolved local management body should the bid be successful. Though, once again, these arrangements and functions have yet to be clarified.

- 3.4 Ministers are currently looking over the LEP proposals in detail, focussing particularly on how they will support economic growth and intend to provide feedback to the partnerships ahead of the publication of the White Paper on sub-national economic growth and the introduction of the Localism Bill.

4. LOCAL ENTERPRISE PARTNERSHIP - TEES VALLEY

- 4.1 Through TVU the five local authorities in Tees Valley, together with the business leaders in the area, have built up a mature and robust delivery framework, which was well placed to submit a credible bid for a Local Enterprise Partnership.

- 4.2 The long history of joint working has been demonstrated by the production of the Tees Valley City Region Business Case (2006) cumulating in the signing off by Government in 2008 of the Multi Area Agreement. More recently, TVU has developed a 'Statement of Ambition' which gives a clear focus for the economic growth of the Tees Valley and which forms a vision which underpins the LEP proposal. The ambition is,

- To drive the transition to the high value low carbon economy, and

- To create a more diversified and inclusive economy.

In doing so the outcomes expected to be realistically achieved over a 15 year period would be to,

- Increase the gross value added (GVA) per head from its current level of 75% of the national average to 82%.
- Increase the employment rate (currently 67.7%) to the national average (currently 72.9%).
- Create 1000 new businesses over the period, and
- Increase the number of people with higher level skills by 5%.

- 4.3 Work is ongoing to develop an investment plan for the Tees Valley, the detail of which will be presented to the Portfolio Holder in October/November. This will provide a guide as to the key priorities for both Housing, Regeneration and Economic Development which will deliver the outcomes.

5. TEES VALLEY LEP - DELIVERY FRAMEWORK

- 5.1 TVU is currently undergoing a review in order to create a more streamlined organisation geared up and resourced to deliver the new 'ambition'. The new structure should be agreed and in place by March 2011.
- 5.2 At this stage the funding position remains unclear, however, the review currently underway will address the fact that approximately 40% of TVU's existing budget of just under £10m, is drawn down from One North East and the Homes and Communities Agency (HCA).
- 5.3 It is anticipated that the new Managing Director for TVU will be appointed in October 2010 with the rest of the management team being in place by November 2010.

6. FINANCIAL IMPLICATIONS

- 6.1 The Council currently contributes £315,810 to support the core costs of TVU. It is not envisaged that this position will change in the short-term, though TVU as an organisation is exploring potential funding opportunities to compensate for the loss of core funding from One North East and the HCA.

7. RECOMMENDATIONS

- 7.1 It is recommended that the Portfolio Holder,
- a) Note the progress made with regard to the development of a Tees Valley bid for a LEP.
 - b) Agree to receive further update reports as events unfold.

8. CONTACT OFFICER

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Local Enterprise Partnership: A Proposal - **Executive Summary**

September 2010

Tees Valley Local Enterprise Partnership

- Executive Summary

1. The Tees Valley comprises the Local Authorities of Darlington, Hartlepool, Middlesbrough, Redcar and Cleveland and Stockton on Tees. It covers an area of 800 square kilometres, with a population of 650,000 (875,000 including the broader areas of economic influence in Durham and North Yorkshire) and is acknowledged nationally and regionally as a functional economic area which is reflected in its journey to work patterns and economic structure.
2. The five Local Authorities in the Tees Valley, together with the business leaders in the area, as Tees Valley Unlimited, welcome the opportunity to put forward a proposal for a Tees Valley Local Enterprise Partnership. TVU is a mature and robust civic and business leaders' partnership built on a strong tradition of joint working. TVU is ideally placed to become the Tees Valley Local Enterprise Partnership.
3. Tees Valley Unlimited has developed an ambitious but realistic and clear vision for the area. The Tees Valley is the largest petrochemicals/energy/biofuels/advanced engineering complex in the United Kingdom containing plants of a world-class scale. Teesport, the 4th largest port in the UK, is an integral part of the complex. There is an £8 billion pipeline of investment in these sectors interested in investing in the Tees Valley. Our two key ambitions are:
 - To drive the transition to the high value low carbon economy
 - To create a more diversified and inclusive economy
4. To ensure that the £8 billion pipeline of investment comes to the Tees Valley we have to ensure that our offer is competitive with our global competitors both in Europe and the Middle and Far East. Our competitive advantages are availability of land, a deep-sea port, an excellent road, energy and pipeline infrastructure and a responsive planning system. To improve our competitive offer Tees Valley Unlimited needs to remove barriers to investment. In particular Tees Valley will:
 - Develop a fast track planning process for major projects through clarifying the requirements of national agencies and statutory undertakers
 - Produce a plan identifying the electricity and water infrastructure needs of the North Tees/South Tees area
 - Reduce the energy costs to our industries by recycling waste heat and steam to neighbouring premises
 - Develop an application to the Regional Growth Fund to continue the Tees Valley Industrial Programme after March 2012
 - Work with the private sector to produce a skills plan for the development of the low carbon economy

- Work with the North East Economic Partnership to develop the supply chain for the low carbon economy and initiatives that will assist the expansion of the advanced engineering sector

5. In order to achieve our outcomes we need the following help from Government:

- Setting a clear policy framework in which investors can have confidence - a critical example is the carbon emissions trading scheme. Much of our new investment is in the low carbon economy which provides major opportunities for the Tees Valley economy - however it also poses a threat to the global competitiveness of 18 major CO2 emitters in the Tees Valley. The inclusion of the Tees Valley as a pilot carbon capture storage network could be a solution but we would request discussions with BIS/DECC/CLG and Treasury to identify how we can tackle these issues
- Developing a financial offer which is competitive with our competitors. We would like to work with BIS, CLG and Treasury to explore the principles of tax incentive financing such as corporation tax exemptions, modified enterprise zones and accelerated development zones
- The continued funding of the Centre for Process Innovation which is a vital part of our infrastructure providing technological solutions to help businesses develop the low carbon economy

6. Our second ambition is to create a more diversified and inclusive economy. TVU will:

- Support the service and retail sectors in our town centres
- Develop the digital and creative industries building on the success of Digital City and the Boho
- Work with the health sector to attract future investment in telecare/telehealth centres, knowledge based consultancies and develop the business case for a medical school
- Develop a business proposition for Government to relocate Government departments to the Tees Valley
- Develop measures to encourage the growth of financial and business services, the engineering and manufacturing sectors
- Develop the visitor economy
- Work with Durham and Teesside Universities to enhance their role in developing the local economy and in particular identify barriers to employment which need to be tackled

7. TVU will:

- Work with BIS and DWP to take forward the Government's Work for Yourself Scheme
- Develop a business support programme geared to meet the needs of deprived communities
- Work with private sector organisations to provide support for them to create a coherent business support network for the Tees Valley
- Provide skills intelligence to the universities and colleges on the skills needs of the Tees Valley economy
- Take a strategic approach to employability initiatives and skills development and in particular identify barriers to employment which need to be tackled and the solutions required.

8. TVU will:

- Regenerate our major town centres and explore with Government the possibility of tax incentives for the development of empty properties in town centres, particularly offices
- Improve the quality of our housing offer to meet the needs of the economy through increasing levels of housing growth, increase the supply of affordable homes through bringing back into use empty properties, and housing market renewal
- Ensure the provision of infrastructure meets the needs of the economy through implementing the first phase of the Tees Valley Metro, developing the bus network, managing the A19/A66, developing smart ticketing, rail gauge improvements to Teesport and opening up sites for development
- Government can help by ensuring resources are available to Network Rail for gauge enhancement of the East Coast Main Line to enable Teesport to reach its full potential for rail container traffic; amend the regulatory framework for Heathrow Airport to enable flights from regional airports such as Durham Tees Valley to become viable; amend the regulatory framework set by OFGEM to reduce the charges to gain access to the national grid which for the Tees Valley are the highest in England and acts as a barrier to energy developments

9. To implement our proposals TVU will produce by the end of October a Local Investment Plan bringing together the various capital funding streams for economic development, regeneration, housing and transport into one coordinated programme.

We ask Government to consider a single placed-based budget for the Tees Valley which will create significant efficiencies and accelerate our contribution to achieving the Government's national objectives for subnational economic growth.

10. TVU has been in operation since 2007, although there has been close partnership working in the Tees Valley. Our board is made up of the five Leaders and Mayors of the Tees Valley Authorities, five private sector business leaders and a private sector chair. We will also set up an Investment Board to deal with investment decisions. In addition we will:
 - Set up task and finish groups with private sector chairs and private sector involvement to develop policy initiatives or proposals for implementation from the Regional Growth Fund
 - Stockton on Tees Borough Council will act as the accountable body for Tees Valley Unlimited and a legal agreement is in place between all five Tees Valley Authorities
 - The Partnership will be supported by an officer structure concerned with commissioning the implementation of the activities set out in this proposal. The officer structure will be lean and funded primarily by the five Local Authorities with contributions from other funds for managing and delivering projects and programmes.
11. TVU fully supports the proposal for ANEC/NBF for a North East Economic Partnership which we consider will carry out activities concerned with the delivery of BIS services which can be best delivered on a NE wide basis. Our LEP proposals are entirely complementary with this proposal. We will continue to liaise closely with neighbouring LEPs in Durham and North Yorkshire.

12. The key outcome we want to achieve is for the Tees Valley to be a world-class centre for the low carbon economy able to compete effectively with our competitors in Europe, the Middle and the Far East. As a start we need to ensure that the £8 billion pipeline of inward investment takes place. We also need to complete the regeneration of our main town centres and poor housing areas in the Tees Valley. The outcomes we think we can realistically achieve over the next 15 years are:

- Increase our gross value added (GVA) per head from its current level of 75% of the national average to 82%;
- Increase our employment rate (currently 67.7%) to the national average (currently 72.9%);
- Create 1,000 new businesses over the existing trend; and
- Increase the number of people with higher level skills by 5%.

The final outcomes will be set out in our Local Investment Plan produced at the end of October.

13. The proposals set out here are in full accord with the Government's programme for devolution, localism and the leadership and engagement of the business community. A strong partnership locally working with national Government will maintain the momentum for economic growth. We believe our proposals for a Tees Valley Local Enterprise Partnership offers a truly localist approach to driving private sector growth in the Tees Valley and we look forward to working with Government to help develop the role of LEPs.

Tees Valley *unlimited*



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REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder
15 October 2010



Report of: Assistant Director (Regeneration and Planning)

Subject: TEES VALLEY ECONOMIC REGENERATION
INVESTMENT PLAN

SUMMARY

1. PURPOSE OF REPORT

To inform the Portfolio Holder of the progress being made to develop a Tees Valley Economic Regeneration Investment Plan and the timetable for completion of the plan and to consider the role this plan may have in drawing down funding from the Homes and Communities Agency (HCA) and the recently launched Regional Growth Fund.

2. SUMMARY OF CONTENTS

The report highlights the process to develop the Tees Valley Economic Regeneration Investment Plan linking its development to the key aims outlined in the Tees Valley Statement of Ambition. It explores the role played by the Directors of Regeneration in helping to pull together the priorities from each of the five Local Authorities and presents a draft timetable for its adoption, including consultation and approval by the Council. In addition, the report also explores potential delivery options in light of the fact that there is a strong likelihood conventional sources of grant funding will be limited in the future.

3. RELEVANCE TO PORTFOLIO MEMBER

Economic Regeneration issues fall within the remit of the Portfolio Holder.

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

The draft Tees Valley Economic Regeneration Investment Plan should be taken to Cabinet once the final draft has been presented to Tees Valley Unlimited Leadership Board.

6. DECISION(S) REQUIRED

The Portfolio Holder is requested to note the progress being made towards the development of a Tees Valley Economic Regeneration Investment Plan and agree that a further report be submitted to Cabinet once the draft plan has been presented to the Leadership Board.

Report of: Assistant Director (Regeneration and Planning)

Subject: TEES VALLEY ECONOMIC REGENERATION
INVESTMENT PLAN

1. PURPOSE OF REPORT

- 1.1 To inform the Portfolio Holder of the progress being made to develop a Tees Valley Economic Regeneration Investment Plan and the timetable for completion of the plan and to consider the role this plan may have in drawing down funding from the Homes and Communities Agency (HCA) and the recently launched Regional Growth Fund.

2. BACKGROUND

- 2.1 Tees Valley Unlimited (TVU) has been working very closely with officers from the five Tees Valley Local Authorities for several months now in order to develop a strategic investment plan for the sub-region. It is anticipated that the document will be ready by the end of October 2010.

- 2.2 The investment plan has been constructed around the two key aims contained within the 'Statement of Ambition' document, namely to,

- Drive the transition to a low carbon economy
- Create a diversified and inclusive economy

and whilst these two ambitions are focused around the Economic Regeneration agenda, it is anticipated that the document will also act as Tees Valley's Local Investment Plan to meet the requirements of the Homes and Communities Agency (HCA) reflecting an integrated approach to the 'place' investment agenda.

- 2.3 Ultimately the intention of the Tees Valley Economic Regeneration Investment Plan is to drive the sub-regional economy out of recession by clearly setting out an ambitious programme of public sector investment, with a detailed action plan covering priority business, housing, economic regeneration, transport and employment and skills investment proposals. In addition, the document will also highlight areas where the Government can help unlock barriers to delivery of sustainable economic growth by affording greater freedoms to Tees Valley Unlimited Local Authorities, building on the success of the Multi-Area Agreement.

3. PROGRESS

- 3.1 The development of the Tees Valley Economic Regeneration Investment Plan has taken place following full engagement with the Directors of Regeneration. This has included dedicated meetings of the group along with individual discussion and meetings between TVU's appointed consultants, Shared Intelligence, and the five Local Authorities.
- 3.2 Through the Directors of Regeneration group informal agreement has been reached regarding the projects to be included in the portfolio covering the period up to 2014/15, including a significant number of Hartlepool projects critical to the regeneration of the borough. A list of these projects is contained as **Appendix 1**.
- 3.3 The portfolio has been produced against a background of uncertainty as far as future funding is concerned, however, scenario testing has also been undertaken to address the possibility of both 25% and 50% reductions in funding available through HCA and One North East budgets. However, key to the ability of TVU to deliver the portfolio remains what will emerge from both the Local Enterprise Partnership bid, the Comprehensive Spending Review and the potential transfer of assets held by One North East to either the newly established LEPs or to the individual Local Authorities.
- 3.4 A progress report was presented to the Tees Valley Leadership Board on 16 July 2010 and guidance was given on the approach highlighted above.

4. TIMETABLE

- 4.1 Some key milestones leading up to the adoption of the Tees Valley Economic Regeneration Investment Plan are highlighted below,
 - Review Plan with Directors of Regeneration – w/c 11 October 2010
 - Final draft to Chief Executives – 20 October 2010
 - Final draft to Leadership Board – w/c 25 October 2010
 - Local Authority Cabinet/Executive approval – November 2010
 - Submission of approved draft to HCA – November 2010
 - Develop Regional Growth Fund Group to prepare funding bid – November 2010
- 4.2 Key to future success of the Tees Valley Economic Regeneration Investment Plan as a bidding tool for TVU and or the Tees Valley Local Enterprise Partnership, is its approval by the five Local Authorities prior to its submission to the HCA and the development of a potential bid for Regional Growth Funding.

5. DELIVERY

- 5.1 In order to prepare the ground for delivery of the plan, TVU have also been exploring options which revolve less around the need for conventional grant funding and more around the capacity of TVU partners to explore creative mechanisms for exploiting/optimising publically owned asset, (e.g. land, buildings and other capital) and the willingness of Government to be flexible in its approach to regional/sub-regional policy development.
- 5.2 Some of the opportunities for consideration include:
- Low carbon Enterprise Zones
 - Accelerated Development Zones
 - Tax Incremental Finance Schemes
 - Asset Transfer (from One North East)
 - Sub-regional or Local Authority area based Local Asset Backed Vehicles (LABVs)
- 5.3 A report on LABVs will be brought to Cabinet in the very near future.

6. FINANCIAL IMPLICATIONS AND RISK

- 6.1 Whilst the Tees Valley Economic Regeneration Action Plan commits to paper plans and proposals the Council would wish to prioritise for delivery, it does not in any way represent a commitment financially to any of the projects listed, except where they are already underway having been approved by the Council.
- 6.2 Any new projects would be subject to the Council's usual approval procedure including a full business case and evidence of funding availability.
- 6.3 As a consequence, there are no immediate risks to the Council, however, as individual projects come forward for approval, a full risk assessment will be undertaken as part of the business case.

7. RECOMMENDATIONS

- 7.1 The Portfolio Holder is requested to note the progress being made towards the development of a Tees Valley Economic Regeneration Investment Plan and agree that a further report be submitted to Cabinet once the draft plan has been presented to the Tees Valley Leadership Board

8. REASONS FOR RECOMMENDATIONS

- 8.1 The Tees Valley Economic Regeneration Investment Plan is a key strategic document for the Council as well as the sub-region and will in due course involve substantial financial commitment from the Council and is therefore a key decision.

9. CONTACT OFFICER

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PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
	HARTLEPOOL TOWN CENTRE											
2	H/R/1	Regeneration Place/Business	Hartlepool Quays- ISQ- Innovation Connectors Phase 2	This will involve the creation of an Innovation Connectors facility providing supported workspace for new and expanding SME's in creative and digital media sectors, linking in with DigitalCity, with the potential for direct and indirect linkages to Hartlepool College of Further Education (HCFE) and Cleveland College of Art and Design(CCAD). Improvements to the surrounding area will also be undertaken to help create a bold and vibrant identity for the ISQ. The site has been acquired with SP/HBC support and cleared. Feasibility work is being undertaken to identify the best delivery mechanism (eg HBC managed, private sector, joint initiative) and funding for design work will help to establish detailed costs. HBC may look to provide prudential borrowing to help support the scheme but public funding may also be required to provide overall development costs.	4,750,000	Hartlepool Borough Council - £100,000	100,000	800,000	3,850,000			
3	H/R/2	Regeneration Place	Hartlepool Quays- ISQ- Strategic Development Opportunity	The redevelopment of the HBC owned Lynn Street Depot will create a 2.2Ha strategic development opportunity that is of a sufficient scale to accommodate a range of potential uses and to generate sufficient critical mass to have a catalytic impact to drive forward the development of the ISQ. The current use is inappropriate for the town centre and is not compatible with creating a new, high quality, mixed-use environment. Strategically located at the eastern end of the ISQ the redevelopment of the site will play a pivotal role in strengthening the connection of Church Street (and the wider town centre) with the Marina area. This is a medium term priority which will anchor the eastern part of the ISQ and strengthen links with the marina development area. Current land values on their own would not cover the cost of relocating the depot building. Up to £5m of public funding may be required to fund the development as for this scheme.	5,000,000	0				2,000,000	2,000,000	1,000,000
	H/R/3	Regeneration Place	Hartlepool Quays- ISQ- Strategic Acquisitions	Within the ISQ there are a number of key sites and properties which currently contribute significantly to the areas underperformance and offer opportunities to be refurbished/redeveloped in order to create new high quality employment floorspace in the town for small and new businesses in creative industries and the niche service sector, supporting the principles of the ISQ. Acquisition of two or three key buildings, complimenting current HBC land holdings in the area, would facilitate and help accelerate the overall development of the ISQ allowing a more comprehensive programme to be achieved.	5,000,000	-			1,000,000	2,000,000	2,000,000	
	H/R/4	Regeneration Place	Hartlepool Quays- ISQ- Wider Connectivity	The project will improve connectivity and linkages between the Marina, ISQ and main retail areas of the town and ensure that the ongoing major development activity within the area, for example Trincomalee Wharf and Jacksons Landing, are fully embedded and integrated into the wider Central Area. The development of the ISQ gateway bridge will improve connectivity between the ISQ/Town Centre and Marina. This scheme effectively seeks to extend the benefits of the ISQ Gateway project(below) to help knit the key developments proposed for Trincomalee Wharf, Jackson's Landing and the remaining development land within the marina area more effectively with the ISQ and main commercial and retail centres. Some elements of this will be achieved through the design of the Trincomalee Wharf/Jomast development scheme, but elements including a new pedestrian footbridge from the transport interchange across the railway will require public sector support.	3,000,000				100,000	1,400,000	1,500,000	

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
5	H/R/5	Regeneration Place	Hartlepool Quays- ISQ Gateway	The ISQ Gateway is the compact central hub within the ISQ that comprises the key educational institutions, transport hub and main shopping area. The aim of the ISQ gateway project is to add value and maximise the opportunities arising from a number of strategic investments including Middleton Grange Shopping Centre (proposed £1.5m investment), Hartlepool Transport Interchange (£3.5m) (including potential commercial development site) and the £51m Hartlepool College of Further Education redevelopment. This will be achieved in part through the re-modelling of Church Sq (creating a campus environment) and the provision of Stockton Street connectivity improvements. Cleveland College of Art and Design (CCAD), one of the countries leading art colleges is planning to expand through the redevelopment of their existing premises and the acquisition of adjacent properties in Church Square and will invest upwards of £2m. The ISQ Gateway project will therefore be developed in partnership with CCAD to maximise opportunities arising from the expansion of the College and to create a campus environment around Chur	£1,200,000	HBC - £300,000	100,000	1,400,000				
2	H/R/6	Regeneration Place	Hartlepool Quays- Mill House	The re-modelling and redevelopment of the Mill House area will create a strategic development opportunity involving the creation of new leisure/sports and recreation facilities. The plans will involve integrating Hartlepool United Football club's investment plans into the Town Centre. The Council is funding feasibility work to identify a preferred development and delivery option for this scheme following which a potential private sector partner will be sought. Delivery of this scheme is likely to be associated with a broader review of leisure provision within the town which may result in the identification of a strategic partner to support the improvement and management of a number of key facilities.	25,000,000			2,000,000	10,000,000	13,000,000		
	HARTLEPOOL MARINA											
2	H/R/7	Regeneration Place	Hartlepool Quays - Trincomalee Wharf	This project will create a mixed-use development comprising, retail outlets, residential apartments and a four star 150 bedroom hotel with conference facility. There is potential to create 23,500sq.m of gross retail and office space along the north and south side of Maritime Avenue. In addition to the potential economic importance of the site its location has an important role to play (along with the transport interchange) in linking the Marina to the main shopping and retail centre at Middleton Grange, ensuring that Trincomalee Wharf is embedded and fully integrated into the wider Central Area. This scheme represents the major mixed-use development opportunity within the Hartlepool Quays the delivery of which will be facilitated over a 10year+ period. TVU Delivery Team have prioritised this site within their work programme and will work closely with the land owner to bring forward development in a phased manner. Public funding will be used alongside the main private sector investment through gap funding support and will help secure high quality design, spatial connectivity, business floorpace and significant job numbers.	50,000,000		0	12,500,000	10,000,000	20,000,000	7,500,000	

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
2	H/R/8	Regeneration	Hartlepool Quays-Jacksons Landing Redevelopment	Jacksons Landing is a prominent building on a prominent site that protrudes into the Marina water area. The nature and scale of the site provides the opportunity for a transformational flagship development to be brought forward. A wide range of uses could be supported including employment/tourism uses which would help to diversify and underpin the towns economy and increase the vibrancy of the Central Area. Negotiations are taking place with the property owners and potential developers of the building with a view to securing a mixed use development scheme with the Council possibly brokering a back to back acquisition and sale. Approximately £3m of public funding is required to support acquisition and/contribute towards gap funding the end use scheme would have an enormous impact on regenerating this prime waterside building.	10,000,000			500,000	4,000,000	5,500,000		
5	H/R/9	Regeneration-Place/Business	Hartlepool Quays-Offshore Engineering Centre	Taking into account the planned eastern seaboard offshore wind farms PD Ports Hartlepool site offers great potential for manufacturing and offshore servicing of these plants. To create a high tech offshore engineering centre related to wind energy requires the creation and development of the associated infrastructure to support the new industries, capitalising on the significant regional job creation opportunities. Existing expertise in two key local businesses, Hereema and JDR cables offers the potential to create a high added value sector that can be successfully supported by Hartlepool and the wider Tees Valley Economy. The port authority and individual firms are involved in the process of bidding for contracts, however, Victoria Harbour offers one of the most accessible locations on the east coast and confidence is high that this will become a regional centre, offering major investment and job opportunities. Public sector investment may be required towards infrastructure provision, site preparation and decontamination and training support and these will be determined through discussions with the port and bus	£35,000,000		1,000,000	3,000,000	8,000,000	13,000,000	10,000,000	
POOR HOUSING AREAS CENTRAL												
1	H/H/1	Housing Market Renewal Place	North Central Hartlepool Phase 2, Perth Street Area	The Perth Street area HMR scheme developed through significant resident consultation as part of the North Central Hartlepool Masterplan and subsequent Masterplan review of 2005. The acquisition and demolition phase in Phase 1 comprising of 267 dwellings is complete and construction of new build is underway. The acquisition phase has commenced in Phase 2 (Perth and Hurworth street area), comprising of 190 dwellings. The Perth Street Area has the support of the HCA with £4.35 million grant committed with a contractual agreement. SHIP and HMR funding are also being focused on this site to achieve site assembly. The 17.4% cut in HMR funding in 10/11 has stretched the resources on this site. The first stage of the CPO process has begun and the Council has prioritised the delivery of this scheme. The developer selection process is currently underway and the scheme is likely to provide 90 dwellings meeting CSH level 4.	400,000 HCA funding required to reprovide the 17.4% lost through HMRF. £10 million private sector investment in demolition and new build.	EP Legacy Funding contractually agreed with the HCA of £4.35 million	£4 million private sector investment in new build and demolition	£3 million private sector investment in new build	£3 million private sector investment in new build			
1	H/H/2	Housing Market Renewal Place	Belle Vue Scheme	The Belle Vue and Carr/Hopps St schemes were developed through significant resident consultation as part of the New Deal for Communities (NDC) Community Housing Plan. The Belle Vue scheme has been developed in partnership with Housing Hartlepool. Demolition of the Housing Hartlepool stock is complete and further private sector stock is about to be demolished. The new scheme will be 50% affordable. Only a small number of properties are left to be acquired on this site however the cut of Growth Point funding (which was being channelled into acquisitions) has opened up a gap in funding on this site. This is likely to be funded through the Councils own assets through the sale of land to cross-subsidise acquisitions on this site. The scheme is to be funded via the NAHP programme, 2010/12. The developer is already on-board and on site. This scheme is likely to have great economic benefit with employment and training provided with the contract. Scheme has commitment of Council and other stakeholders and of local residents.	4,000,000	£1.5 Million NAHP and £2.5 million private investment	950,000 for acquisitions	1.5 million grant investment. 1 million private investment	1.5 million private sector investment			

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
1	H/H/3	Housing Market Renewal Place	Carr/Hopps Scheme	The Carr/Hopps scheme was developed through significant resident consultation as part of the New Deal for Communities (NDC) Community Housing Plan . In April 2008, the Council's Cabinet gave approval to purchase from all owner occupiers on the site. The Council has made a commitment to the community to deliver this scheme and the majority of owner occupiers have chosen to move. This strategic approach is unlikely to change until the additional funding can be secured to address the £6m funding gap in the Carr / Hopps scheme. The Council is currently working on methods of delivery for this site to enable the delivery of the full scheme and to reduce the grant requirement this is likely to be through a Local Asset Based Vehicle although an element of public funding would support the delivery of the scheme.	7,000,000	some HMR and SHIP funding for 10/11 allocated for delivery of this scheme	£1 million Councils assets	£2million of grant required	£2million of grant required	£2million of grant required		
	H/H/4	Local Authority New Build - Place	Charles Street	Local Authority new build scheme, on site and delivering a mix of family homes at CSH level 4. This is providing a number of economic benefits including employment and training opportunities for local people and also job retention in the building industry. This is also delivering affordable homes for local people On a site within the central area ISQ area. This site will be completed by March 2011. This scheme demonstrates that Councils prudential borrowing powers can assist in helping a affordable housing scheme stack up.	£4,200,290 grant and Council borrowing.	1,808,000 HCA grant allocated with 70% claim already made						
	H/H/5	Local Authority New Build and Private New Build- Place	Seaton Lane	Local Authority new build scheme, on site and delivering a mix of family homes at CSH level 4. This is providing a number of economic benefits including employment and training opportunities for local people and also job retention in the building industry. This is also delivering affordable homes for local people on a Growth Point site. This site will be completed by March 2011. This scheme demonstrates that Councils prudential borrowing powers can assist in helping a affordable housing scheme stack up.	£2,692,867 grant and Council borrowing	1,334,000 HCA grant allocated with 70% claim already made.						
	H/H/6	Local Authority New Build- Place	Kipling Road	Local Authority new build scheme, on site and delivering a mix of family homes at CSH level 4. This is providing a number of economic benefits including employment and training opportunities for local people and also job retention in the building industry. This is also delivering affordable homes for local people. This site will be completed by March 2011. This scheme demonstrates that Councils prudential borrowing powers can assist in helping a affordable housing scheme stack up.	£1,990,959 grant and Council borrowing	920,000 HCA grant allocated with 70% claim already made.						
1	H/H/7	Housing Market Renewal and New Build- Place	Easington Road	This scheme is a flagship demonstration project for a volumetric house building model. It will meet CSH level 5 and be a mix of 80 family homes and bungalows with 50% affordable housing. The scheme is a priority site for Hartlepool as it is on the main transport corridor into the town from the north and is extremely visible. The volumetric build model allows reduced building costs and therefore reduces any grant requirements in the future. There is also a great deal of community expectation and commitment to this site. £125,000 Growth Point was allocated to assist in the demolition of this site. £2.5million private investment in new build is likely. £1.6 million grant required for Affordable Housing Provision. This scheme will also help to develop skills for the future of housing delivery within the Tees Valley. Demolition of the majority of the existing units has taken place and planning permission has been approved. The developers are ready to start on site.	2,400,000	1.9 million of private investment.	1.6 million grant required for affordable housing provision.	2.5 million private investment				
	H/H/8	Housing Market Renewal and New Build- Place	Headway Scheme	The development of this regeneration scheme is underway with the first phase of the new build units complete. 12 affordable housing units are planned for the remaining 3 phases of development and this will require £600,000 HCA grant to deliver. The Council has been working closely with the developers of this scheme to assist where possible in its delivery. Growth Point funding was put into a shared equity scheme on this site which resulted in the sale of 10 units.	7,600,000		£2 million private investment, 600,000 HCA grant for affordable housing delivery.	£2 million private investment	£2 million private investment	£1 million private investment		
	H/H/9	Housing Market Renewal- Place	Raby Square	This scheme is within the future HMR programme and was highlighted in the NCH Masterplan as a area which requires intervention. Housing Hartlepool will be working to deliver this scheme over the coming years and grant will be required for the acquisition of the private units within this scheme. Alternative methods of delivery will be explored for this scheme.	£1,000,000					£1 million grant for acquisition		

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
2	H/H/10	Future Regeneration and HMR- Place	Housing Market Renewal and Housing Regeneration.	There are further significant areas of housing stock in Hartlepool identified within the Housing Regeneration Strategy that will require a programme of housing market renewal over the next 15 years. This will include investment in current stock, specifically in areas surrounding regeneration areas to protect the significant investment already made in the current HMR programme. Business cases are being developed in order to progress this work and a range of delivery methods are being considered. Future housing allocations and S106 contributions from any western edge developments in Hartlepool will contribute to the delivery of regeneration priorities in the town.	18,000,000 over 15 years							
	H/H/11	Future Affordable Housing- Place	Affordable Housing provision across the town. Which will encompass vulnerable groups and elderly provision	Investment in affordable housing provision will need to continue to meet the identified affordable housing need in Hartlepool. Planning policies are being put in place to require new private sector developments to provide a minimum of 10% affordable housing provision on site to help meet local need. There is still a shortfall in extra care provision and the current stock will be monitored closely to assess how future need can be delivered. Physical and learning disability need plus provision for younger people is also necessary in Hartlepool.	1000000 a year to deliver affordable housing to meet identified need.	£4 million	3m	2m	2m	2m	5m	5m
	H/H/12	Future Housing development- Place	New Build Housing Sites across the town	Private sector investment in stock will continue. A five year housing land supply of deliverable sites has been identified and the Hartlepool Core Strategy will seek to support Hartlepool's growth aspirations by providing a broad mix of housing development that will secure development of brown field land within the urban area together with some sustainable greenfield development on edge of town sites.	70,000,000	350 houses a year £35 million private investment a year						
	OTHER STRATEGIC SITES											
	H/R/10	Regeneration-Place/Business	Gap Funding - Rivergreen Business Centre	The project comprises the speculative development of 85,000 sq ft of industrial accommodation in 2 phases.	£7,561,000 of which £4,489,852 already defrayed	Single Programme - £2,082,000 Private Investor - £5,479,000	3,161,148					
	H/R/11	Regeneration-Place/Business	Hartlepool Southern Business Zone	The project will aim to facilitate the development and enhancement of Hartlepool's key employment generating zone through strategic investment in the infrastructure of the SBZ. Improvements in the physical infrastructure will support existing businesses and attract new investment.	20,925,000				400,000	5,000,000	15,525,000	
	H/R/12	Regeneration-Place	Seaton Carew	The aim of the project is to develop Seaton Carew as a complementary destination to the main visitor hub of the Hartlepool Quays. There are strategic investment opportunities such as the development of a new visitor/tourist attraction including indoor facilities in order to extend the visitor season, the acquisition and redevelopment of key strategic buildings including the prominent Longscar Hall on the sea front. The replacement and remodeling of the sea defences will create major investment opportunities. A masterplan is being prepared which will seek to rationalise land uses, identify environmental improvement works, tie in with proposed sea defence improvement measures and create new development sites which will build on the existing visitor activities and create new indoor facilities that will help extend the visitor season (in line with the Hartlepool Tourism Strategy). Delivery of the scheme will be phased to tie in with sea defence improvements, the first phase of which is scheduled to start in 2011. Additional funding has been secured through the Coastal Towns Grant fund(200k) and a further £150k of Play Builder funding will	1,000,000	HBC - £350,000	0	£500,000	£850,000			
5	H/R/13	Regeneration-Place/Business	Southern Business Zone- Queens Meadow	Queen's Meadow is Hartlepool's strategic high quality business location alongside Wynyard Park). Significant success has been achieved in recent years in attracting new businesses, following the Single Programme investment in servicing the land and creating a high quality environment. This has included PH1 of UKSE's Incubator facilities, with PH2 about to get underway, PH1 of Rivergreen's speculative development units and a commitment to PH2 plus other high quality business units. Investment in further infrastructure to open up more developable land creating serviced business sites which will support new start up accommodation/move on accommodation, potential specialist process and energy industry, R&D and office space.	£12,000,000				1,000,000	11,000,000		

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
	PLACE											
	H/CT/2	Culture & Tourism- Place	Historic Headland Revival	Hartlepool's Historic Headland is an important complementary visitor destination to that of the Hartlepool Quays. The project involves maximising the opportunities arising from the existing visitor attractions, culture and heritage of the area. Infrastructure improvements are required to facilitate the development of the visitor economy.	2,000,000					2,000,000		
	H/HE/1	Place	Health	The proposed provision of a modern 560+ bed new Hospital located at Wynyard Business Park on the proposed third phase of the development. The hospital site is 19Ha. <u>Alternative delivery arrangements are being considered.</u>	420,000,000				140,000,000	280,000,000		
	H/H/14	Place	Private Sector Housing	The Hartlepool Core Strategy preferred option report has identified that housing growth (over and above existing permissions and brownfield sites) in the strategy period should be focused predominantly on the western fringe of the existing town boundary. This approach will allow the establishment of a large strategic housing site that can provide a phased housing supply over the next fifteen years which meets the capacity and range of housing required, in terms of type, density and tenure.	350,000,000	Funding to be confirmed as sites come forward for development.	500,000	500,000	500,000	500,000		
	H/MIX/1	Place	Seaton Community Facilities	A number of HBC owned sites in Seaton Carew have the potential to deliver, housing and combined community facility, renewing sports, library and medical provision. The intention is to identify a strategic development partner who will deliver new community resources for Seaton Carew as part of scheme alongside new housing. Design briefs have been prepared and consultations carried out. Marketing of sites will take place when market conditions improve allowing maximum benefit to be derived from Council land assets. This may be delivered in conjunction with H/R/12	10,000,000	Funding commitment to be confirmed.		2,000,000	5,000,000	3,000,000		
	H/R/14	Place	Strategic Green Infrastructure	There are a number of Strategic Green Infrastructure projects that are being developed to contribute to providing a balanced network of green spaces and linkages in and around Hartlepool. These multifunctional spaces will help to deliver quality of life benefits required by communities. The projects will help to weave together the natural and built environment for the benefit of residents and visitors, and make the place more attractive to people looking to locate to the Tees Valley and Hartlepool	4,400,000	Given the varied nature of the schemes there are a number of different funding streams attached to them. Approximately £100,000 is currently committed.	250,000	250,000	250,000	900,000	1,800,000	950,000
	H/R/15	Business	Nuclear Power Station	Hartlepool has been identified as a potential site for a new nuclear power station around 2020. Decommissioning of the existing site will be required. The station will produce enough energy to supply 1.5m homes. The existing power station has a supplier chain value of £19m.	Potentially £3bn							
	H/R/16	Business	Wynyard Business Park	Wynyard Business Park accommodates a mix of office, manufacturing, distribution and conference facilities, currently providing approximately 1000 jobs. The future masterplan for Wynyard includes approval for a further 3m sq ft of office accommodation in a phased development.	450,000,000	£150m Private Sector investment already committed.						
	H/R/17	Business	TERRC	TERRC is the largest purpose built-designed facility for redundant marine structures including ships. The aim is to create a world class centre for recycling and the reclamation of marine related activity. The site will include the specialist manufacturing of marine wind and power. The site offers the potential to drive the development of a key cluster within the aforementioned sectors.	50,000,000							
	H/T/1	Place	Transport	The creation of the Hartlepool transport Interchange and improvements to Hartlepool Railway Station within the Town Centre will create a sustainable transport hub at the heart of the Innovation and Skills Quarter. The proposals for the Tees Valley Metro will add to the sustainable transport links.	8,000,000							
	H/T/2	Transport- Place	A19/A689 Improvements	Signalisation and capacity improvements, together with signalisation of the Wynyard East, Samsung Ave and A689/A1085 roundabouts	3,600,000	RFA2, Private Sector			3,600,000			

HARTLEPOOL BOROUGH COUNCIL

2.2 Appendix 1

PRIORITY	REF	Activity	Project Name	Description	Total Funding Rqd	Funding already committed & from whom	2010/11	2011/12	2012/13	2013/15	2015/20	2020/25
	H/T/3	Transport- Place	Traffic Management Schemes - Main Trunk Roads - Phase 2	Use of variable speed limits and lane utilisation controls in both directions on A19 between A174 and A689	£13.6m total (2014-2016)	RFA3, HA, Private Sector					13,600,000	
	H/T/4	Transport- Place	A19 Widening, Norton to Wynyard	Provision of a third lane in each direction on A19 between Norton and A689 including the demolition and rebuild of 7 existing overbridges	100,000,000						100,000,000	
	H/T/5	Transport- Place	Tees Valley Bus Network Improvements	Co-ordinated package of bus priority and bus journey time improvement schemes	8,500,000 (HBC only)	DfT - Full Approval	2,800,000	1,100,000	2,400,000	2,200,000		
	H/T/6	Transport- Place	Tees Valley Bus Network Improvements	Co-ordinated package of complimentary measures (eg bus stop improvements, information improvements, marketing, etc) through Major Scheme	approx £16m between 5 TV LAs - detail TBC	DfT - Full Approval						
	H/T/7	Transport- Place	Tees Valley Metro Phase 1	Hartlepool and Seaton Carew Station improvements - Metro contribution - POTENTIALLY INCLUDED IN H/T/1 ABOVE	1,400,000	RFA Approved	1,400,000					
	H/T/8	Transport- Place	Tees Valley Metro Phase 3	Service frequency, rolling stock and other station enhancements between Hartlepool and Nunthorpe. Could include a new station at Queens Meadow	142,000,000						142,000,000	
	H/T/9	Transport- Place	Urban Traffic Management Control (intelligent transport systems)	Conversion of existing UTC systems to UTM platform, integration of Tees Valley systems and the development of an integrated managed network	500,000 (HBC only) 2010-14							
	H/T/10	Transport- Place	North East Smart Ticketing Initiative (NESTI)	Development of a common smart ticketing solution for a variety of transport uses across the North East	£2.2m (Tees Valley total)	RFA2 Approved	1,100,000	1,100,000				

REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder

15 October 2010



Report of: Assistant Director (Regeneration and Planning)

Subject: UPDATE IN RESPECT OF THE “BUY LOCAL”
CAMPAIGN

SUMMARY

1. PURPOSE OF REPORT

To update the Portfolio Holder on the development of Hartlepool’s “Buy Local” Campaign

2. SUMMARY OF CONTENTS

The report will update the Portfolio Holder on developments in respect of the Buy Local campaign and outline future plans

3. RELEVANCE TO PORTFOLIO MEMBER

The project was developed through Hartlepool Enterprise Centre and therefore sits within the Regeneration and Economic Development Portfolio.

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

Regeneration and Economic Development Portfolio meeting on 15 October 2010

6. DECISION(S) REQUIRED

6.1 Note the update

Report of: Assistant Director (Regeneration and Planning)

Subject: UPDATE IN RESPECT OF THE “BUY LOCAL” CAMPAIGN

1. PURPOSE OF REPORT

- 1.1 To update the Portfolio Holder on the development of Hartlepool’s “Buy Local” Campaign

2. BACKGROUND

- 2.1 The “Buy Local” campaign started in January 2009 at the Hartlepool Enterprise Centre when some of the traders whose business in part relied on visitors to the Centre came together to consider ways of increasing turnover. At the time, the economic downturn was beginning to have a detrimental effect across the businesses.
- 2.2 The initial group drew together a “discount” system including a booklet to advertise the various different services on offer. In addition two open days were arranged leading to in excess of 100 visitors at each. The discount booklet was also circulated widely around the Town.
- 2.3 Anecdotal evidence indicates that the number of visitors to the Centre has remained high.
- 2.4 During the course of 2009, discussions were ongoing between the Council and the owners of Middleton Grange Shopping Centre about the general state of trade. One of the areas of particular concern was the occupancy level at the Indoor Market, which was approximately 2/3rds empty.
- 2.5 This led to the development of the Indoor Market initiative as Phase 2 of the campaign which saw the introduction of new businesses to 20 empty stalls over a six month period commencing September 2009. The businesses were supported with rent and rates and the majority of them stayed after the project was completed, with only 2 traders initially leaving. There are currently 5 empty stalls, although the responsibility has now reverted to Middleton Grange Shopping Centre. Staff from the Enterprise Centre are however continually working with individuals who may be suitable new tenants.
- 2.6 Alongside the Indoor Market project, Hartlepool Borough Council’s outdoor market was relocated in June 2010 to be closer to the Indoor

Market, creating a “market quarter” feel for the Town. An update of the situation in respect of the Indoor/Outdoor market has been provided in a separate report.

3. RECENT DEVELOPMENTS

- 3.1 The Buy Local project received much positive feedback locally and efforts have been made to extend the programme town-wide. A website has been developed to allow both businesses and consumers to register, with consumers receiving a registration card, which can be utilised to benefit from a range of discounts.
- 3.2 In the event it has taken longer to achieve this expansion than originally expected and in particular the number of businesses becoming involved has been slow.
- 3.3 Various advertising routes have been utilised to try to increase visibility of the campaign, including:
- A request for attendees of Hartlepool Business Awards Dinner in May 2010 to register on the site, further information was shared at the September 2010 Business Forum event
 - Various events to enlist more consumers, including the Tall Ships, the re-launch of the outdoor market and the recently introduced weekly competition in the Indoor Market
 - An advertising campaign through Hartlepool Mail and other local publications
 - An agreement with Hartlepool United, for regular coverage at the football ground
- 3.4 This is now beginning to see results, with approximately 70 businesses now registered and approximately 600 consumers.

4. FUTURE PLANS

- 4.1 Key to ensuring the future success of the project is the need to grow the number of participants. In order to achieve this, the following actions are being planned:
- Leaflets have been prepared to be sent to the business database
 - A member of staff from the Enterprise Centre is to visit business groups/shopping parades to encourage businesses to register
 - A business ambassadors group from different sectors is being considered to encourage other businesses in their sector to register
- 4.2 Once the numbers reach a suitable level in terms of a cross section of sectors as well as the number of businesses registered, the aim is for the project to become self funding, with the possibility of selling

advertising, premier listings and database information. Should the participating businesses recognise the benefits of the project, the question of subscriptions will be considered.

5. RECOMMENDATIONS

- 5.1 Portfolio holder is requested to note the details of the report.

6. CONTACT OFFICER

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REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder
15 October 2010



Report of: Assistant Director (Regeneration and Planning)

Subject: TEES VALLEY ENTERPRISE ARCADE

SUMMARY

1. PURPOSE OF REPORT

To update the Portfolio Holder on the development of the Tees Valley Enterprise Arcade Project which Hartlepool Borough Council is managing on behalf of the Tees Valley Industrial Programme (TVIP) Enterprise Stream.

2. SUMMARY OF CONTENTS

The report will outline the decision to undertake an Enterprise Arcade project across the Tees Valley, detail progress to date and outline the anticipated outcomes.

3. RELEVANCE TO PORTFOLIO MEMBER

As indicated the project sits within the Enterprise Stream of the TVIP and therefore lies within the remit of the Regeneration and Economic Development Portfolio.

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

Regeneration and Economic Development Portfolio meeting on 15 October 2010

6. DECISION(S) REQUIRED

- 6.1 Portfolio holder is requested to note the details of the report. A further report will be provided early in the new calendar year for information.

Report of: Assistant Director (Regeneration and Planning)

Subject: TEES VALLEY ENTERPRISE ARCADE

1. PURPOSE OF REPORT

- 1.1 To update the Portfolio Holder on the development of the Tees Valley Enterprise Arcade Project which Hartlepool Borough Council is managing on behalf of the Tees Valley Industrial Programme (TVIP) Enterprise Stream.

2. BACKGROUND

- 2.1 The Tees Valley Enterprise Arcade is one of the projects which was approved as part of the Enterprise Theme of Tees Valley Industrial Programme, in response to the mothballing of Teesside Cast Products operation in Redcar.
- 2.2 In December 2009 the then Government announced an investment of £60 million into the Tees Valley to support the economy following Corus' decision. Included in the package would be support for new start businesses.
- 2.3 A number of theme groups were developed to consider proposals for funding included in which was the possible development of an Enterprise Arcade project to be undertaken in Middlesbrough, Redcar and Stockton on Tees, offering individuals the opportunity to test trade a retail business. Because of the general inability to support retail businesses per se, the project received overwhelming support from the members of the theme group.
- 2.4 This project is being managed by Hartlepool Borough Council because of the Council's experience in operating its Indoor Market project. The programme will provide PR and marketing support as well as business support to the individuals to help them to understand retail business and try to ensure the success of their ventures.
- 2.5 The project is being funded by Single Programme monies and despite some delays due to the change in Government, the project ultimately has been approved for funding and is now in the development stage.

3. PROPOSALS

- 3.1 It is proposed that an “arcade” be operated in Middlesbrough, Redcar and Stockton, each effectively looking to offer a test trading opportunity for a minimum of 10 individuals. This will allow each trader a period of up to 6 months discounted occupation of the venue.
- 3.2 To try to ensure that maximum benefit is received for the traders, joint marketing and PR will also be put in place, together with a degree of ongoing business development support.
- 3.3 To date sites are still being sought for the individual arcades, although the project has been offered an empty shop in The Mall in Middlesbrough and space on Stockton High Street. The aim is to try to ensure that the project also brings back into use some of the more prominent retail spaces which are currently vacant.
- 3.4 A co-ordinator has been seconded by BusinessLink who will be responsible for the day to day activities of the project. The main challenge of the project being the absolute need to have the arcades up and running well in advance of the Christmas period.
- 3.5 To capture the experience of the project, a “blog” is to be developed for the individual traders to share information and the general highs and lows of running a business for the first time. A project evaluation will also be required, which will also encapsulate a methodology for the project in case future opportunities arise to run similar schemes.

4. FINANCIAL IMPLICATIONS AND RISK

- 4.1 There is no direct revenue cost to Hartlepool Borough Council other than the officer time required to manage the project. However at a time of uncertainty about local and regional structures in the area of Regeneration and Economic Development, there is a growing importance in working with sub regional partners and leading on such projects.
- 4.2 The funding must all be defrayed within this financial year and there is a need to ensure that the project is capable of meeting the required timescales.

5. RECOMMENDATIONS

- 5.1 Portfolio holder is requested to note the details of the report. A further report will be provided early in the new calendar year for information.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The project is an example of Hartlepool Borough Council managing projects on behalf of the wider sub-region. The project is currently at a key stage in terms of development and by the New Year will be into implementation stage.

7. CONTACT OFFICER

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REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder
15 October 2010



Report of: Assistant Director (Regeneration and Planning)

Subject: SUPPORT FOR RETAIL BUSINESSES

SUMMARY

1. PURPOSE OF REPORT

To provide an update to the Portfolio Holder in respect of a variety of mechanisms supporting retail businesses.

2. SUMMARY OF CONTENTS

Over the course of the last 12 – 18 months, a variety of projects have been developed to support retail businesses. These include:

- Indoor Market Initiative
- Relocation of the Outdoor Market
- Improvements to Neighbourhood Shopping Parades
- Development of Business Modernisation Grants
- Development of Navigation Point Business Association
- Early stage development of a potential Town Centre Business Association

This report will provide information on each of the schemes, giving an up to date position and future plans

3. RELEVANCE TO PORTFOLIO MEMBER

Each of the projects sit in part within the Regeneration and Economic Development Portfolio.

4. TYPE OF DECISION

Non Key

5. DECISION MAKING ROUTE

Regeneration and Economic Development Portfolio meeting on 15 October 2010

6. DECISION(S) REQUIRED

Note the update

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(Planning and Economic Development)

Subject: SUPPORT FOR RETAIL BUSINESSES

1. PURPOSE OF REPORT

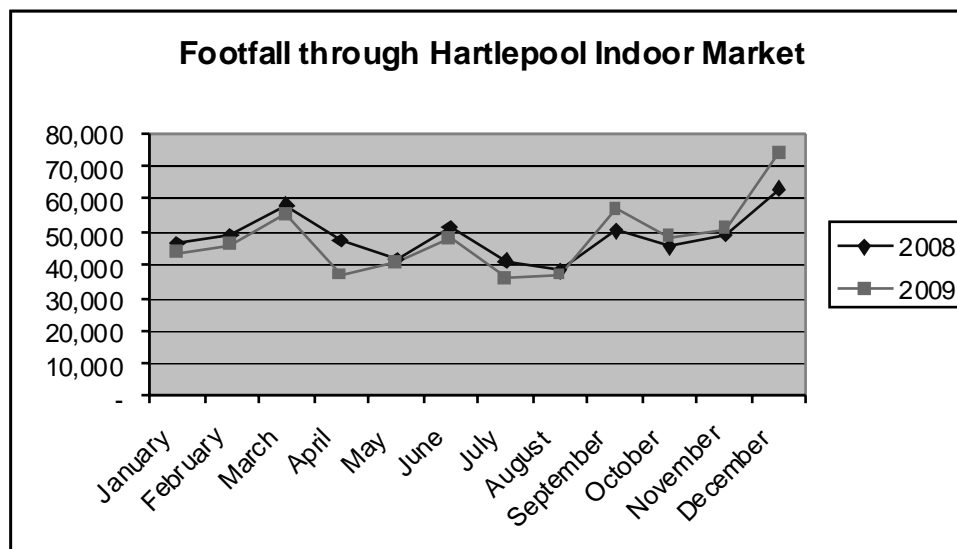
- 1.1 To provide an update to the Portfolio Holder in respect of a variety of mechanisms supporting retail businesses.

2. BACKGROUND

- 2.1 Over the course of the last 12 – 18 months a number of projects have been developed to support retail businesses either on an individual or group basis. This report will focus on the specific schemes below:

2.1.1 Indoor Market Initiative

This initiative was a joint project between the Council's Economic Development Unit and Middleton Grange Shopping Centre. The project provided new retailers the opportunity to test trade in the indoor market over a 6 month period as Phase 2 of Hartlepool's "Buy Local" scheme. The project, which ran from September 2009 to March 2010, was extremely well received with twenty of the empty stalls in the centre filled for the period. A review in March as the project was finishing, suggested that the first four months had seen increased footfall through the market, as indicated in the chart below.



At the end of the project, two of the businesses left the market, although one of these was immediately filled by another new retailer who had been supported through the Enterprise Centre.

2.1.2 Relocation of the Outdoor Market

In June 2010, Hartlepool's two outdoor markets (Wednesday and Thursday) were relocated to form one market, held on Thursday each week. The previous location of the markets was not ideal, as they were sandwiched between two Public Houses and had poor coverage for security cameras, resulting in a degree of petty crime and anti-social behaviour. The new location, on the Westside car park adjacent to the shopping centre ramp, was considered the most appropriate choice for the relocation as it also allowed for a more "joined-up" approach to the indoor and outdoor market and gave a much improved visibility to the outdoor market.

2.1.3 Improvements to Neighbourhood Shopping Parades

Through the Neighbourhood Action Planning process issues around the need to support retail within a variety of areas were identified. Economic Development Officers worked with Neighbourhood Managers to identify priority areas. Following this consultation traders were approached at Catcote, King Oswy and Owton Manor shops, to discuss the main issues to do with those parades from their perspective. These tended to be the same for each with car parking, anti-social behaviour and the general physical environment being the highest priorities. As a consequence, street lighting was improved in all three locations and car parking was improved at King Oswy and Owton Manor, with the issue being deferred for Catcote in view of anticipated highway changes in front of the parade. The physical environment of Catcote and King Oswy shops were also improved with trees and planting. In terms of anti-social behaviour, introductions to the local police were facilitated and funding for individual security measures were approved.

2.1.4 Development of Business Modernisation Grants

Modernisation Grants are operated through the Council's Regeneration Team, in conjunction with Economic Development Officers. Funding has been secured this financial year to offer improvement grants to businesses in the Town Centre. These grants are being targeted at key vacant buildings, on York Road

2.1.5 Development of Navigation Point Business Association (NPBA)

The businesses based on Navigation Point have begun to come together to look at issues which affect them and also look at methods of undertaking initiatives to improve trade. The association is in its infancy and is being supported by officers from the Economic Development Team.

2.1.6 Potential Town Centre Business Association

In the light of the formation of NPBA, the Economic Development Team has opened discussions with traders across the Town Centre with a view to drawing them together to form a potential Town Centre

Business Association. The aim of developing this association is to provide a more cohesive “business voice” for the Town Centre and ensure that private sector partners and stakeholders are fully involved and engaged with issues pertinent to the area.

3. RECENT DEVELOPMENTS AND PROPOSED ACTIONS GOING FORWARD

3.1 Each of the projects remain ongoing, although some of them are liable to be fixed term, dependent upon the availability of funding.

3.1.1 Indoor Market Initiative

The markets are seen as an important element of the “Buy Local” campaign going forward and there is currently a scheme operating to drive up footfall whereby a weekly competition is being held. In addition, through Hartlepool’s Incubation System, two stalls remain allocated to the Borough Council to allow individuals the opportunity to test trade. At the current time these are occupied by a Polish Food Store and a bedroom designer. Whilst it is hoped to continue this activity, it is externally funded and at this stage it is unclear if there will be any monies available.

3.1.2 Outdoor Market

The relocation of the outdoor market has become established and anecdotal evidence suggests that footfall has increased. The traders are extremely happy and advise that they are seeing a lot of new customers and have increased their sales. In addition, they are not having the same problems with anti-social behaviour experienced on the old site. Anecdotal evidence indicates that customers are happy, advising that the market looks more like a market than it did on the previous site. Prices for the stalls have been held at previous rates, but officers in Public Protection are now starting to consider the rental levels to be charged in the next financial year.

3.1.3 Improvements to Neighbourhood Shopping Parades

The ability to undertake physical improvements has been dependent upon the sourcing of funding which is liable to become increasingly difficult. However as a consequence of developing the relationships with the businesses in the neighbourhoods, officers are now looking to assist with business support measures to help them consider their long term sustainability. In addition, Economic Development Officers have partnered Housing Hartlepool on improvements to Bus Stops which are due to commence in November, with completion in the Spring. The funding for the Business Support Officer working in this area is externally funded and fixed to the end of March 2011. At the present time funding going forward remains uncertain.

3.1.4 Business Modernisation Grants

Funding for the Modernisation Grants was secured from the Council's SCRAPT funding, for defrayal in this financial year. At the present time key buildings have been identified and initial discussions undertaken with the owners to confirm their ability and desire to complete improvements. Schedules of work and costings are being collated to enable a formal application through the approved process.. Funding for the scheme comes to an end in March 2011.

3.1.5 Development of Navigation Point Business Association

The association has undertaken little activity due to the Tall Ships Race. However a "shadow" steering group was formed by election and the members are now starting to consider issues of joint marketing and events, physical environment and the potential to undertake joint procurement activities. The funding for this project is fixed until March 2011, although it is anticipated that after then the group will move towards self funding, with officer support.

3.1.6 Potential Town Centre Business Association

An initial meeting has been undertaken to scope out how to formulate the Association and ensure that it is an inclusive group operating across the Town Centre. It is anticipated that the group will aim to address similar issues as the NPBA going forward, as outlined in paragraph 3.1.5. It is anticipated that this Association will become self funding.

4. **RISKS**

- 4.1 As with much of the activity of the Economic Development Team, the future funding position remains unclear. The projects outlined are funded through many sources including Working Neighbourhoods Fund, Communities Fund, Home Office Security Funding and Borough Council Community Safety monies. Future options are being explored with a view to continuing or extending the schemes.

5. **RECOMMENDATIONS**

- 5.1 Portfolio holder is requested to note the details of the report.

6. **CONTACT OFFICER**

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