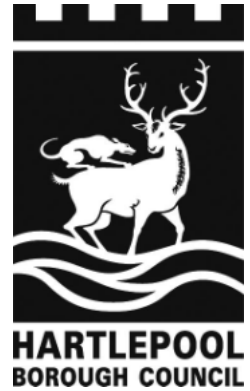


# **REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO**

## **DECISION SCHEDULE**



**Friday 5 November 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 Redevelopment of the Crown House site – feasibility and design – *Assistant Director (Regeneration and Planning)*
- 2.2 Regeneration and Neighbourhoods Departmental Plan Monitoring Report – April to October 2010 - *Assistant Director (Regeneration and Planning)*
- 2.3 Skills Funding Agency – Tendering Opportunity - *Assistant Director (Regeneration and Planning)*

**3. ITEMS FOR INFORMATION**

- 3.1 Working Neighbourhoods Fund (WNF) – Quarter 2 (2010/11) Update - *Assistant Director (Regeneration and Planning)*

## **REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO**

Report to Portfolio Holder  
5<sup>th</sup> November 2010



**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** REDEVELOPMENT OF THE CROWN HOUSE  
SITE- FEASIBILITY AND DESIGN

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### **SUMMARY**

#### **1. PURPOSE OF REPORT**

The purpose of the report is update the Portfolio Holder on the background and progress of the Crown House project and to seek endorsement for the preparation of design and feasibility works, using HBC funding, for the development of a specialist business incubation centre on the site.

#### **2. SUMMARY OF CONTENTS**

The report details the background and context of the project and outlines the next phases of work including the preparation of initial designs, costs and detailed feasibility work. The report also outlines timescales for the project and the proposed delivery arrangements for the identified work.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The project falls within the remit of the Portfolio Holder as it forms a key element of the regeneration of the Central Area of Hartlepool.

#### **4. TYPE OF DECISION**

Non Key

#### **5. DECISION MAKING ROUTE**

Regeneration and Economic Development Portfolio Meeting on the 5<sup>th</sup> November 2010.

## 6. DECISION(S) REQUIRED

The Regeneration and Economic Development Portfolio Holder is requested to:

- Endorse the preparation of design and feasibility works for the creation of a specialist business incubation centre on the former Crown House site, using HBC's in-house resources to prepare outline designs and costings, with the feasibility works completed externally.
- Endorse the use of allocated funds from the Councils Capital Programme to contribute towards the design and feasibility works as identified in paragraph 6.2.

**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** REDEVELOPMENT OF THE CROWN HOUSE  
SITE- FEASIBILITY AND DESIGN

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## **1. PURPOSE OF REPORT**

- 1.1 The purpose of the report is update the Portfolio Holder on the background and progress of the Crown House project and to seek endorsement for the preparation of design and feasibility works, using HBC funding, for the development of a specialist business incubation centre on the site.

## **2. BACKGROUND**

- 2.1 Crown House on Surtees Street has recently been acquired and cleared using One NorthEast funds and HBC match funding. Securing this site represents the first phase of the creation of a specialist incubation facility for businesses within the creative industries sector. It is estimated that the site can accommodate approximately 30,000sq.ft. of high quality floorspace. This could result in the creation of approximately 125 jobs. The land on the corner of Surtees Street/Tower Street, within the ownership of HBC, will be incorporated into the scheme in order to create a larger development site with frontage onto Tower Street.
- 2.2 The project offers the opportunity to continue the development of the Innovation and Skills Quarter (ISQ), complementing the educational investment within the area, with the aim of generating a cluster of businesses focused around creative, digital and media industries in close proximity to town centre amenities. This was a key recommendation of the Hartlepool Central Area Investment Framework (CAIF).
- 2.3 The project will complement Hartlepool's Business Incubation strategy which has had a significant positive impact on new business formation and SME growth within Hartlepool. The strategy has provided the UK Steel Enterprise Innovation Centre at Queens Meadow, which is currently being extended, and the successful Hartlepool Enterprise Centre. The Central Area Investment Framework identified that by building upon the success of incubation/small business units across the town provides the ISQ with an excellent opportunity to promote high quality, small and new businesses.

- 2.4 The project will also address a number of issues that have been identified within the Central Area of Hartlepool such as the shortage of supply of good quality small office space and a lack of available viable development sites, which is restricting the growth of the small business start up market and is diverting investment/demand to other competing locations. Targeting and attracting smaller size businesses within the ISQ will complement the business offer in other locations of the town and help to provide Hartlepool with a spectrum of business accommodation.
- 2.5 The first phase of works for the creation of the new workspace facility involved the acquisition and demolition of Crown House, which will now be followed by design and feasibility works in order to gain a more detailed understanding of the project and to determine the preferred delivery model. The project has been broken down into a number of phases which reflects the original opportunity to buy the site and the limitations of funding availability.
- 2.6 The sub surface car park on the Crown House site has been retained so that it can be productively used as an informal car park in the interim until the construction works commence. It is anticipated that the site will be let to Cleveland College of Art and Design who have a much increased need for parking provision following the expansion of their Hartlepool campus on Church Square. A report detailing the proposed lease arrangements will be considered by the Finance and Procurement Portfolio Holder on the 4<sup>th</sup> November 2010. Discussions with Cleveland College of Art and Design are currently ongoing regarding the management and lighting of the site. Retaining the existing sub surface level will offer the opportunity to include such a feature in the new development without the need for costly excavation works.

### **3.0 DESIGN AND FEASIBILITY WORK**

- 3.1 The feasibility work will determine the most appropriate scale and nature of the new workspace facilities. The viability of the proposed scheme will be assessed and appropriate delivery models identified and appraised. Detailed feasibility work is also required in order to gain an understanding of the likely scale and nature of demand for the development.
- 3.2 There are a number of potential options available to deliver the scheme ranging from private to public sector led models with various forms of joint delivery in between. The feasibility work will build up the detail of each option so that an assessment can be made. Internal rates of return based upon varying occupancy levels will be examined. Business models will be investigated to ensure the long term sustainability of the centre beyond the construction phase. The exact

nature of the delivery model will determine the level of public sector investment required and how this funding will be used.

- 3.3 In addition to the detailed feasibility work HBC's architects will be commissioned to develop outline designs and build costs for the scheme. The work will include the preparation of concept designs, outline specifications and a preliminary cost plan. The preparation of outline designs and costs will help to inform the feasibility work on the preferred business model. Following this work a targeted marketing exercise will be undertaken to begin to ascertain developer interest.
- 3.4 The feasibility work will also examine funding opportunities from a range of sources such as the Regional Growth Fund and ERDF. Initial discussions have already taken place with the University of Teesside's Institute of Digital Innovation and Digital City regarding establishing a satellite project in Hartlepool. Further work is required to explore these opportunities.
- 3.5 Subject to the outcome of the feasibility works and the availability of funding it is hoped that the redevelopment of the Crown House site will commence in 2012. This will give UK Steel Enterprise's Innovation Centre extension at Queens Meadow time to establish itself without oversupplying the commercial floorspace market. The Crown House scheme will therefore be designed to follow the UKSE scheme onto the market.

#### **4.0 LINKS TO EDUCATIONAL INSTITUTIONS**

- 4.1 Aligning with the aims of the ISQ, the Crown House redevelopment offers the potential for direct and indirect linkages to Hartlepool College of Further Education (HCFE) and Cleveland College of Art and Design (CCAD) in order to develop opportunities for graduates wishing to establish businesses in digital and creative industries.
- 4.2 Developing links with HCFE and CCAD will be important in developing a flow of graduates looking to establish businesses in the development, together with creating the opportunity to target young entrepreneurs and those normally underrepresented in the Enterprise Sector. Specialist space could be provided for graduating students looking at business opportunities in areas such as sculpture, textiles and pottery as well as digital media. Both Colleges currently offer courses in areas that the development will look to support.
- 4.3 The project will link to Cleveland College of Art and Designs "Creative Lodge" project, a new incubator/business start up facility for creative Artists and Designer Makers. Affordable and flexible high quality office/open studio accommodation for creative practitioners has recently opened at CCAD's Church Square campus. The Crown House workspace will be designed to link directly to CCAD's

opportunities and will offer the opportunity for move on accommodation for graduates.

- 4.4 Both HCFE and CCAD support the project and have expressed an interest in taking space within the development. Further discussions will take place regarding the type and level of their involvement. Physical resources and a support programme could be developed to support students leaving both institutions who are interested in starting a business.

## **5.0 DESIGN CONSIDERATIONS**

- 5.1 The design of the building will be a key consideration in the development of the project as a high profile, aspirational design will help to establish a bold, vibrant and unique identity for the ISQ area. A high standard of design for this building and others such as HCFE and the space between them within the ISQ are going to be critical in order for the ISQ to deliver its aims and objectives of attracting further private sector investment and changing perception of the Central Area of Hartlepool.
- 5.2 The project will also ensure that the quality of the surrounding environment matches that of the physical development, strengthening links with other sites within the ISQ. The design work will therefore seek to incorporate environmental improvements in the vicinity of Surtees Street and Tower Street for consideration as part of the broader funding package.
- 5.3 As part of the delivery of the overall ISQ, a masterplan for Church Square is currently being prepared in order to create a campus environment and address connectivity issues within the area.

## **6.0 FINANCIAL CONSIDERATIONS**

- 6.1 The preferred route is for the outline designs and costings to be completed by HBC's architects, with the detailed feasibility works being undertaken externally in accordance with the agreed Tees Valley Consultancy Framework.
- 6.2 Funding for the purchase and demolition was secured through a combination of Single Programme and Regeneration match funding from Council's Capital Programme, There was however a saving in the cost of demolition. It is therefore proposed to use this saving to carry out the design and feasibility works. We are awaiting confirmation from One NorthEast of the approval of this approach, as it represents a variation in the original Single Programme funding approval. Portfolio Holder endorsement is therefore sought to use these funds on the design and feasibility works. If One NorthEast are

not willing to support this approach additional Council resources will be required to complete this work. An application has been submitted to the Councils Capital Programme to fund the remaining works from the 2011/12 budget and a decision is currently awaited. Endorsement is therefore sought for this approach if the approval from One NorthEast is not forthcoming. The outline design costs have been estimated at £75k with the feasibility works estimated to cost around £20k.

- 6.3 Having a more detailed understanding of the project will be beneficial when applying for resources from the emerging sources of funding such as the Regional Growth Fund. The feasibility work will examine the potential of HBC funding contributing towards the development of the scheme.
- 6.4 The feasibility work will examine the future funding arrangements for the redevelopment of the Crown House site including public and private sector led models.
- 6.5 There is the risk that the feasibility works will be undertaken and the redevelopment can not commence within the anticipated timeframe due to limitations with funding or market conditions.

## **7.0 RECOMMENDATIONS**

- 7.1 The Regeneration and Economic Development Portfolio Holder is requested to:
- Endorse the preparation of design and feasibility works for the creation of a specialist business incubation centre on the former Crown House site, using HBC's in-house resources to prepare outline designs and costings, with the feasibility works completed externally.
  - Endorse the use of funds from the Councils capital programme to contribute towards the design and feasibility works as identified in paragraph 6.2.

## **8.0 CONTACT OFFICER**

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## **REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO**

Report to Portfolio Holder

5th November 2010



**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** REGENERATION AND NEIGHBOURHOODS  
DEPARTMENTAL PLAN MONITORING  
REPORT - APRIL TO OCTOBER 2010

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### **SUMMARY**

#### **1. PURPOSE OF REPORT**

To inform the Portfolio Holder of the progress made against the Regeneration and Neighbourhoods Departmental Plan 2010/11 over the period April to October 2010.

#### **2. SUMMARY OF CONTENTS**

The progress against the key actions and performance indicators, along with latest position with regard to risks contained in the Regeneration and Neighbourhoods Departmental Plan 2010/11.

#### **3. RELEVANCE TO PORTFOLIO MEMBER**

The Portfolio Holder has responsibility for performance management issues in relation to regeneration and Economic Development issues described within the Regeneration and Neighbourhoods Departmental Plan.

#### **4. TYPE OF DECISION**

Non-key.

#### **5. DECISION MAKING ROUTE**

Portfolio Holder meeting xx November 2010.

## **6. DECISION REQUIRED**

The Portfolio Holder is requested to:

- Note the progress of key actions and performance indicators along with the latest position with regard to risks.
- Approve the proposed Action date change.

**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** REGENERATION AND NEIGHBOURHOODS  
DEPARTMENTAL PLAN MONITORING  
REPORT - APRIL TO OCTOBER 2010

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## **1. PURPOSE OF REPORT**

- 1.1 To inform the Portfolio Holder of the progress made against the Regeneration and Neighbourhoods Departmental Plan 2010/11 over the period April to October 2010.






## **2. BACKGROUND**

- 2.1 The Portfolio Holder has responsibility for performance management issues in relation to Regeneration and Economic Development issues described within the Regeneration and Neighbourhoods Plan.
- 2.2 The Departmental Plan sets out the key tasks and issues along with an Action Plan to show what is to be achieved by the department in the coming year.
- 2.3 The Council's Covalent performance management system is used for collecting and analysing performance data in relation to both the Corporate Plan and Departmental Plans. The system is also used to monitor Risk Management across the council as part of the Performance Management Framework.
- 2.4 Where appropriate more detailed service plans are also produced detailing how each individual section contributes to the key tasks and priorities contained within the Regeneration and Neighbourhoods Departmental Plan and ultimately those of the Corporate Plan. These plans are managed within the department.

## **3. SECOND QUARTER PERFORMANCE**






- 3.1 This section looks in detail at how the Department has performed in relation to the key actions and performance indicators that were included in the Regeneration and Neighbourhoods Departmental Plan 2010/11.
- 3.2 On a quarterly basis officers from across the department are requested, to provide an update on progress against every action and performance indicator contained in the performance plans.
- 3.4 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 they will be, or have been, completed within target as set out in the plans. The traffic light system is: -

-  Completed
-  On track
-  Progress acceptable
-  Intervention required
-  Target not achieved

- 3.5 Within the Departmental Plan there are a total of 14 actions and 7 performance indicators for which the Portfolio Holder has responsibility. Table 1, below, summarises the progress made, to the 30<sup>th</sup> September 2010, towards achieving these actions.

Table1 – Regeneration and Neighbourhoods Departmental Plan 2010/11 progress summary

	Departmental Plan (Regeneration & Economic Development Portfolio)	
	Actions	PI's
	1	0
	11	2
	1	1
	1	4
	0	0
<b>Annual</b>	-	2
<b>Total</b>	14	9

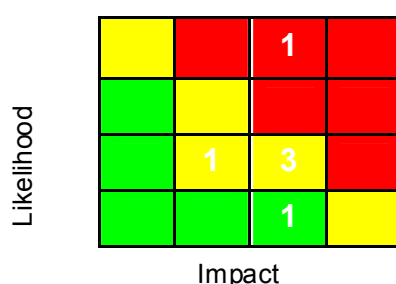
- 3.6 It can be seen from the above table that eleven of the actions for which the Portfolio has responsibility have been highlighted as being on track to achieve target, with a further action progressing within acceptable limits.
- 3.7 One of the actions, 'Safeguard and promote Hartlepool's interest within the preparation of the Integrated Regional Strategy' has been marked as completed, as the Council has undertaken work in relation to this, however the Integrated Regional Strategy has been abandoned as a result of the disbanding of Planning structures including One North East. Officers will continue to pursue Hartlepool's interests through other means such as the Local Enterprise Partnership bids and Tees Valley Economic Regeneration Investment Plan.

- 3.8 The remaining action 'Jacksons Landing – Facilitate the reuse of the buildings through a range of partners' has been delayed due to complicated negotiations partly as a result of the severe economic conditions and as such officers are seeking the Portfolio Holders approval to extend the due date against this action to the 31<sup>st</sup> March
- 3.9 It can also be seen that 2 of the Performance Indicators have been highlighted as being 'on track' with 1 indicator highlighted as progressing within acceptable limits.
- 3.8 Two performance indicators are reported on an annual basis and at this time it is not yet possible to give an indication of the expected performance.
- 3.9 The remaining 4 indicators, are highlighted as 'Intervention required', with them all relating to employment. Details of these indicators are shown in the table below.

Indicator	Outturn	Target	Comments
NI 151 - Overall Employment rate (working-age)	60.9%	68.8%	Disappointing reduction in employment rate which mirrors employment rate changes across the UK. It is likely that the rate will reduce further as a result of reduced public sector funding and spend in the local economy.
NI 152 – Working age people on out of work benefit.	22.3%	18.7%	As more residents are economically inactive the direct result is an increase in the take up of out of work benefits which mirrors performance elsewhere in the UK. It is highly likely that this performance indicator will continue on a negative trend particularly in light of public spending cuts and reduction in spend within the local economy.
NI 153 – Working age people claiming out of work benefits in the worst performing	34.2%	26%	The increased take up of benefits is a direct result of greater levels of worklessness and this mirrors performance elsewhere in the UK. It is highly likely that the performance in this area will continue on a negative trend and the reduction in public sector funding and spend in the local economy will impact negatively on this indicator.
RPD P045 – Employment rate (16-24) (LAA H9)	39.7%	54.4%	Youth employment rate whilst continuing to be low has shown slight increase which is in contrast to Darlington, Middlesbrough, Redcar, North East and GB which have all shown reductions over the same time period. The long term trend is mirrored in all areas and is

			likely to be a combination of more young people staying on in education and reduced employment opportunities due to the current economic climate.
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- 4.0 It is the policy of Hartlepool Council to take an active and pragmatic approach to the management of risks that could prevent the achievement of corporate and departmental objectives. On a quarterly basis responsible officers assess the risks identified within the Department's Risk Register.
- 4.1 The diagram below shows the distribution of risks according to their risk rating. Detail of the rating system is in appendix A. There are 6 departmental risks relevant to this portfolio, one of which is felt to be a high red rated risk. This risk is detailed in the table below.



Risk	Current Rating	Comments
RND R002 – Reduced levels of public sector funding affecting the delivery of key activities to support businesses and residents		The comprehensive spending review has confirmed that there will be reduced levels of Public Sector funding, therefore emerging funding streams such as the Regional Growth fund will need to be maximised to ensure continued activity.

## 5. RECOMMENDATIONS

- 5.1 The Portfolio Holder is requested to:

- Note the progress of key actions along with the latest position with regard to risks.
- Approve the proposed Action date change.

**6. CONTACT OFFICER**

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## **REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO**

Report To Portfolio Holder

**Friday 5<sup>th</sup> November 2010**



**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** SKILLS FUNDING AGENCY – TENDERING  
OPPORTUNITY

---

### **SUMMARY**

#### **1.0 PURPOSE OF REPORT**

The purpose of this report is to update the Portfolio Holder on the Skills Funding Agency's (SFA) new tendering opportunity.

#### **2.0 SUMMARY OF CONTENTS**

The report sets out the new tendering opportunity for reducing the number of young people not in education, employment or training (NEET).

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

Improving the economic wellbeing of young people is a key outcome within the Local Area Agreement – Jobs and the Economy Theme Which is part of the Regeneration & Economic Development Portfolio.

#### **4.0 TYPE OF DECISION**

Non key.

#### **5.0 DECISION MAKING ROUTE**

Regeneration & Economic Development Portfolio Meeting on 5<sup>th</sup> November 2010

#### **6.0 DECISION(S) REQUIRED**

The Portfolio Holder is requested to note the contents of this report and is recommended to approve that the Regeneration and Planning Division can apply for this funding.

**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** SKILLS FUNDING AGENCY – TENDERING  
OPPORTUNITY

---

## **1. PURPOSE OF REPORT**

- 1.1 The report sets out the new Skills Funding Agency (SFA) tendering opportunity for reducing the number of young people not in education, employment or training (NEET).

## **2. BACKGROUND**

- 2.1 Hartlepool's Going Forward Project is a unique and innovative partnership between Economic Development Division, Child & Adult Services (particularly Connexions, 14-19 Adviser and Adult Education). The project is funded through SFA/European Social Funding (ESF) and has been delivered by the Council and third sector since 2007. It was developed to produce targeted interventions to support all young people aged 14-19, to prevent disengagement from mainstream learning, support vulnerable young people during periods of transition and re-engage young people who are currently identified as NEET.
- 2.2 This project is contracted to work with 400 young people at risk or who are NEET between the ages of 14 to 19 years of which 120 will be 14 to 16 years and 280 will be 16 to 18 years. The project was designed to meet the needs of the aforementioned clients by building on existing strategies, partnerships and working groups to ensure that there is a co-ordinated approach to tackling NEET reduction. These activities have included intensive 1-2-1 support by qualified staff who are a first point of contact for the young person, regular Information, Advice and Guidance (IAG) interviews, diagnostic assessments including Richter, literacy and numeracy tests and the development of agreed individual learning plans (ILPs) which clearly outline clear pathways to sustainable training and employment opportunities. Programmes have incorporated work taster sessions, pre-employability programmes, confidence building, flexible training provision which is matched against clients needs and additional pastoral support from agencies including counselling and in-work mentoring. The project compliments existing provision such as entry to employment (e2e) programmes and has been designed to link into employer's skills shortage areas.

- 2.3 The Going Forward project is one of the best performing projects of its kind in the North East Region. It is acknowledged by the SFA for its exceptional good practice. To date, the following outputs/outcomes have been achieved: It is worth noting that further evidence is being processed and it is likely that that all outputs will be achieved by the end of the contract in December 2010.

Starts/Outputs/Outcomes*	Contract Profile	Actual Delivery
Starts	400	403
Completion of Accredited Learning	120	208
Completion of Non-Accredited Learning	120	46
Progress into Learning/Further Education	220	149
Into Employment	40	39

\*The Economic Development Division is currently negotiating with the SFA on whether they will fund the over-achievements on any starts, outputs or outcomes.

- 2.4 In September 2010, Economic Development and Child and Adult Services submitted a joint 'expression of interest' to the SFA to deliver a new NEET Reduction project in Hartlepool. On Friday, 22<sup>nd</sup> October, the SFA confirmed that this expression of interest had been accepted and that we could apply for the tendering opportunity as shown in paragraph 3.

### 3. NEW SFA TENDER OPPORTUNITY

- 3.1 The ESF provision will target participants aged 14 to 19 years. The aim of the tender will be to increase young people's participation in education, employment or training (including Apprenticeships) through locally defined and delivered interventions focusing on: work to **prevent** young people disengaging; support for young people during periods of **learning transition** and; work to **re-engage** those young people who are NEET.
- 3.2 The detail of the provision includes:
- Partnership working is essential and the delivery model should take account of a broad cross sector approach to the delivery of the project and ideally include: local authorities, schools, FE colleges, work based learning providers and the third sector (with strong links to the Connexions Service).

- Projects will need to work collaboratively with existing partners and agencies including Youth Offending Service and Leaving Care Team. It should have links between youth and adult services, i.e, to ensure wrap-around support for young people – particularly at age 18 - by the project and Jobcentre Plus.
- **Prevention** – Activity to ensure early intervention and support for young people at risk of disengaging, and for their families, developing aspirations and motivation in order that they remain engaged.
- **Transition** – Activity to support young people moving between stages or types of education, employment or training to ensure a smooth transition.
- **Re-engagement** – Interventions to support NEET young people back into education, employment or training.

3.3 The target group for this project is 14-19 year olds resident in the North East region who are NEET or identified as at risk of becoming NEET. The project will specifically seek to prioritise and focus support on those young people who are over-represented in the NEET cohort, including, but not exclusively those who:

- Have Learning Difficulties and/or Disabilities (LDD)
- Are supervised by Youth Offending Teams
- Are in care or leaving care
- Young carers
- Are parents
- Are 17 – 19 years old and NEET
- Live in a deprived area
- Have no or low level skills.

3.4 The number of participants across the North East on the programme will be 6,250 (with 2,850 (45%) having to progress into education, employment or training on leaving the programme. Hartlepool has been allocated 296 starts.

3.5 The total funding available for the North East is £12,973,000 and Hartlepool has been allocated approximately £613,000.

3.6 The contract is expected to run from January 2011 to December 2013 and the SFA is wishing to contract down to local authority level.

#### 4. FINANCIAL IMPLICATIONS

4.1 There are no financial implications for the Council as this project will be 100% externally funded.

**5. RECOMMENDATIONS**

- 5.1 The Portfolio Holder is requested to note the contents of this report and recommended to approve that the Regeneration and Planning Division can apply for this funding.

**6. CONTACT OFFICER**

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## **REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO**

Report To Portfolio Holder

**Friday 5<sup>th</sup> November 2010**



**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** WORKING NEIGHBOURHOODS FUND (WNF)  
– QUARTER 2 (2010/11) UPDATE

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### **SUMMARY**

#### **1.0 PURPOSE OF REPORT**

The purpose of this report is to update the Portfolio Holder on the position of the Working Neighbourhoods Fund (WNF) programme at the end of Quarter 2 of the 2010/11 financial year.

#### **2.0 SUMMARY OF CONTENTS**

The report sets out the spend position of the projects within the WNF programme at the end of the 2<sup>nd</sup> Quarter 2010/11 financial year.

#### **3.0 RELEVANCE TO PORTFOLIO MEMBER**

The Working Neighbourhoods Fund is within the remit of the Regeneration & Economic Development Portfolio.

#### **4.0 TYPE OF DECISION**

Non key.

#### **5.0 DECISION MAKING ROUTE**

Regeneration and Economic Development Portfolio, 5th November, 2010.

#### **6.0 DECISION(S) REQUIRED**

The Portfolio Holder is requested to note the spend position of the WNF programme at the end of September 2010.

**Report of:** Assistant Director (Regeneration and Planning)

**Subject:** WORKING NEIGHBOURHOODS FUND (WNF)  
– QUARTER 2 (2010/11) UPDATE

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## **1. PURPOSE OF REPORT**

- 1.1 The purpose of this report is to update the Portfolio Holder on the position of the Working Neighbourhoods Fund (WNF) programme at the end of the 2<sup>nd</sup> Quarter of 2010/2011.

## **2. BACKGROUND**

- 2.1 Cabinet agreed the 2009/10 budget and 2010/11 indicative budget for the WNF programme at its meeting on the 9<sup>th</sup> February 2009 as part of the Local Authority budget. The budget was then approved by Council on 12<sup>th</sup> February 2009.
- 2.2 There was £5,167,838 available to deliver the WNF programme in 2009/10 and an indicative allocation of £5,645,049 for 2010/11.
- 2.3 Following an announcement by the new coalition government on 24 May 2010, Hartlepool Borough Council received confirmation that the Area Based Grant (ABG) would be cut by £1.662m and as the WNF budget is part of the ABG, it was agreed that there would be an in-year WNF budget reduction of £706,549 (as approved by Full Council on 5<sup>th</sup> August 2010), the new revised budget including variances for WNF in 2010/11 is £5,022,196.
- 2.4 To update the Portfolio Holder, this report highlights Working Neighbourhoods Fund (WNF) programme at the end of the 2<sup>nd</sup> Quarter of 2010/11 (As shown in paragraph 3).

## **3. WNF QUARTER 2 2010/11 FINAL SPEND POSITION**

- 3.1 In total £5,022,196 of WNF was available to spend in 2010/11. This includes £83,696 carried forward from the WNF programme in 2009/10. **Appendix 1** sets out the final budgets for 2010/11 taking account of over and underspends from 2009/10 and the in-year budget reductions.

- 3.2 **Appendix 2** sets out in detail the financial position at the end of quarter 2 as reported by the financial system, Integra. Child and Adult Services reported that the expenditure provided directly to Primary and Secondary Schools – equating to £420,250 was fully spent.
- 3.3 Appendix 2 shows that £2,664,186.68 is shown as spent at the end of Quarter 2 which is 53% of the available grant for 2010/11. Within Appendix 2, a column has been included which gives comments where projects are under or overspending by +/- £10,000.

#### **4. FINANCIAL IMPLICATIONS**

- 4.1 The report sets out the Quarter 2 (2010/11) spend position of the WNF programme. There are no financial implications for the Council as the report refers to funding that has already been allocated for this purpose through the budget process.

#### **5. RECOMMENDATIONS**

- 5.1 It is recommended that the Portfolio Holder note the spend position of the WNF programme as at the end of Quarter 2 (2010/11)

#### **6. CONTACT OFFICER**

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### 3.1 APPENDIX 1

Project	10/11 Budget	Variance from 09/10	Government Cut	Final 10/11 Budget
Environmental Enforcement Wardens	162,322	0	48,000	114,322
Environmental Action Team	105,062	0	11,000	94,062
Schools Environmental Action Officer	65,344	0	20,000	45,344
Womens Opportunities - HBC	75,684	-2,583	15,000	58,101
Enhancing Employability - HBC	8,402	0	1,000	7,402
Homelessness Project - DISC	162,823	0	16,000	146,823
Carers into Training & Employment - Hartlepool Carers	47,594	0	5,000	42,594
Targeted Training - HBC	122,255	0	12,000	110,255
Jobsbuild - HBC	82,167	0	8,000	74,167
Workroute - ILM - HBC	245,192	0	25,000	220,192
Progression to Work - HBC	282,598	0	28,000	254,598
Volunteering into Employment - HVDA	102,168	0	10,000	92,168
Community Employment Outreach - OFCA	112,196	-127	11,000	101,069
Community Employment Outreach - Wharton Annex	52,414	0	5,000	47,414
Community Employment Outreach - West View EAC	46,386	0	5,000	41,386
Job Club - Owton Manor West	41,941	0	5,000	36,941
West View Project	37,781	0	4,000	33,781
Hartlepool Worksmart - HBC	28,589	0	4,000	24,589
Incubation & Business Skills Training - HBC / OFCA	280,659	0	28,000	252,659
Business & Tourism Marketing - HBC	20,806	0	2,000	18,806
Local Employment Assistance - OFCA	48,328	0	5,000	43,328
Jobsmart - HBC	36,877	-1,722	4,000	31,155
Youth into employment - Wharton Trust	40,450	0	4,000	36,450
Introduction to construction - Community Campus	16,736	0	2,000	14,736
Adventure traineeship - West View Project	41,394	0	17,000	24,394
Employment support - Hartlepool MIND	52,426	0	7,000	45,426
Support for Existing Businesses to Expand	119,953	0	25,000	94,953
Active Skills - West View Project	27,054	0	5,000	22,054
Career Coaching - HVDA	37,960	0	4,000	33,960
Level 3 Progression - HCFE	85,489	0	25,000	60,489
Administration of LLP	4,000	0	4,000	0
HCFE Redevelopment	130,000	0	0	130,000
Safer Streets & Homes, Target Hardening - HBC	170,000	2,934	17,000	155,934
Dordrecht Prolific Offenders Scheme - HBC	131,329	0	13,000	118,329
NRF Project Assistant - HBC	25,430	0	3,000	22,430
ASB Officer & Analyst - HBC	73,045	0	7,000	66,045
COOL Project	68,392	0	7,000	61,392
FAST	199,350	1,000	20,000	180,350
Landlord Accreditation Scheme - HBC	10,000	0	1,000	9,000
LIFE - Fire Brigade	34,671	0	5,000	29,671
Neighbourhood Policing	200,000	0	20,000	180,000
HMR- Support for Scheme Delivery	126,075	0	13,000	113,075
Community Empowerment Network Core Costs	143,541	0	14,000	129,541
Community Chest	90,000	0	30,000	60,000
NAP Residents Priorities - HBC	221,098	78,651	51,000	248,749
NAP Development - HBC	40,000	0	17,000	23,000
NAP Meeting Costs - HBC	3,200	90	0	3,290
WNF Programme Management - HBC	42,000	0	4,000	38,000
NR & Strategy Officer - HBC	47,211	0	4,500	42,711
Skills to Work - HBC	52,322	0	8,000	44,322
Economic Impact Evaluation of Tall Ships - HBC	20,000	549	20,549	0
Belle Vue Sports	44,801	0	5,000	39,801
Exercise Referral - HBC	28,368	369	8,000	20,737
Connected Care - Manor Residents	25,173	0	5,000	20,173
Mobile Maintenance - HBC	47,241	1,717	6,000	42,958
Mental Health Dev. & NRF Support Network - Hartlepool MIND	93,115	0	9,000	84,115
Primary / Secondary School Direct Funding - HBC	420,250	0	0	420,250

Education Business Links - HBC	52,531	0	8,000	44,531
New Initiatives - HBC	42,025	0	4,000	38,025
Project Coordination - HBC	5,000	0	5,000	0
Hartlepool "On Track" Project - HBC	52,531	0	5,000	47,531
14 - 19 Reform - HBC	65,000	0	7,000	58,000
Financial Inclusion - HBC	40,000	2,818	4,000	38,818
Hartlepool Partnership (Management & Consultancy)	44,800	0	20,000	24,800
Hartlepool Partnership Skills & Knowledge	5,500	0	500	5,000
Resources allocated to support existing projects currently funded from Council's core budget which can now be funded from the Area Based Grant	258,000	0	0	258,000
	<b>5,645,049</b>	<b>83,696</b>	<b>706,549</b>	<b>5,022,196</b>

### 3.1 APPENDIX 2

Project	Final 10/11 Budget	Target Spend Q2	Actual Spend Q2	Comments
Environmental Enforcement Wardens	114,322	57,161.00	41,386.89	Slight underspend due to delay in recruiting staff member.
Environmental Action Team	94,062	47,031.00	49,316.82	
Schools Environmental Action Officer	45,344	22,672.00	25,936.33	
Womens Opportunities - HBC	58,101	29,050.50	18,075.22	Re-focused activity to target teenage parents. Will fully spend by Q4.
Enhancing Employability - HBC	7,402	3,701.00	6,873.45	
Homelessness Project - DISC	146,823	73,411.50	81,411.50	
Carers into Training & Employment - Hartlepool Carers	42,594	21,297.00	11,898.50	Provider has not sent invoice in for Q2.
Targeted Training - HBC	110,255	55,127.50	19,411.72	Project has planned activity to catch up on underspend.
Jobsbuild - HBC	74,167	37,083.50	25,012.55	Project has planned activity to catch up on underspend.
Workroute - ILM - HBC	220,192	110,096.00	114,991.78	
Progression to Work - HBC	254,598	127,299.00	146,470.85	Slight overspend due to additional recruitment of ILM placements.
Volunteering into Employment - HVDA	92,168	46,084.00	47,750.00	
Community Employment Outreach - OFCA	101,069	50,534.50	79,234.25	Provider received upfront Q3 payment.
Community Employment Outreach - Wharton Annex	47,414	23,707.00	26,207.00	
Community Employment Outreach - West View EAC	41,386	20,693.00	23,193.00	
Job Club - Owton Manor West	36,941	18,470.50	28,956.00	Provider received upfront Q3 payment.
West View Project	33,781	16,890.50	18,890.50	
Hartlepool Worksmart - HBC	24,589	12,294.50	6,041.85	
Incubation & Business Skills Training - HBC / OFCA	252,659	126,329.50	236,432.30	Provider is awaiting external funding to offset overspend.
Business & Tourism Marketing - HBC	18,806	9,403.00	2,067.24	
Local Employment Assistance - OFCA	43,328	21,664.00	33,746.00	Provider received upfront Q3 payment.
Jobsmart - HBC	31,155	15,577.50	27,714.22	Provider is awaiting external funding to offset overspend.
Youth into employment - Wharton Trust	36,450	18,225.00	20,225.00	
Introduction to construction - Community Campus	14,736	7,368.00	4,184.00	
Adventure traineeship - West View Project	24,394	12,197.00	20,697.00	
Employment support - Hartlepool MIND	45,426	22,713.00	35,819.50	Provider received upfront Q3 payment.
Support for Existing Businesses to Expand	94,953	47,476.50	25,134.91	In September 2010, Economic Forum approved additional funding for existing project. Funding will be used to regenerate shopping parades. All funding will be spent by Q4.
Active Skills - West View Project	22,054	11,027.00	13,527.00	
Career Coaching - HVDA	33,960	16,980.00	17,646.00	
Level 3 Progression - HCFE	60,489	30,244.50	0.00	Provider has not sent invoices to date.
Administration of LLP	0	0.00	0.00	
HCFE Redevelopment	130,000	65,000.00	0.00	Full funding spent however project lead needs to transfer funding into capital budget.
Safer Streets & Homes, Target Hardening - HBC	155,934	77,967.00	21,510.34	Project has planned activity to catch up on underspend.
Dordrecht Prolific Offenders Scheme - HBC	118,329	59,164.50	51,384.76	
NRF Project Assistant - HBC	22,430	11,215.00	414.34	Full funding spent, however project lead needs to transfer funding into admin budget.

ASB Officer & Analyst - HBC	66,045	33,022.50	28,454.11	
COOL Project	61,392	30,696.00	34,196.00	
FAST	180,350	90,175.00	142,181.00	Provider received upfront Q3 payment.
Landlord Accreditation Scheme - HBC	9,000	4,500.00	0.00	Full funding spent, however project lead needs to transfer funding into admin budget.
LIFE - Fire Brigade	29,671	14,835.50	0.00	Provider sends invoice in Q4
Neighbourhood Policing	180,000	90,000.00	0.00	Provider sends invoice in Q4
HMR- Support for Scheme Delivery	113,075	56,537.50	56,700.00	
Community Empowerment Network Core Costs	129,541	64,770.50	35,885.00	Awaiting invoices from provider which will catch up on underspend.
Community Chest	60,000	30,000.00	60,000.00	Provider received full funding allocation in Q1.
NAP Residents Priorities - HBC	248,749	124,374.50	41,360.72	Underspend due to delay in commissioning and starting activity.
NAP Development - HBC	23,000	11,500.00	7,694.96	
NAP Meeting Costs - HBC	3,290	1,645.00	1,383.56	
WNF Programme Management - HBC	38,000	19,000.00	0.00	Full funding spent, however project lead needs to transfer funding into Economic Development budget.
NR & Strategy Officer - HBC	42,711	21,355.50	25,596.00	
Skills to Work - HBC	44,322	22,161.00	14,781.16	
Economic Impact Evaluation of Tall Ships - HBC	0	0.00	0.00	
Belle Vue Sports	39,801	19,900.50	22,400.50	
Exercise Referral - HBC	20,737	10,368.50	9,903.39	
Connected Care - Manor Residents	20,173	10,086.50	20,173.50	
Mobile Maintenance - HBC	42,958	21,479.00	76.12	Delay in commissioning of the handyperson service. Connected Care now in partnership to deliver this activity.
Mental Health Dev. & NRF Support Network - Hartlepool MIND	84,115	42,057.50	46,557.50	
Primary / Secondary School Direct Funding - HBC	420,250	210,125.00	420,250.00	Provider received full funding allocation in Q1.
Education Business Links - HBC	44,531	22,265.50	26,268.00	
New Initiatives - HBC	38,025	19,012.50	25,721.00	
Project Coordination - HBC	0	0.00	0.00	
Hartlepool "On Track" Project - HBC	47,531	23,765.50	41,539.75	Overspend due to intensive activity in September to target NEET cohort.
14 - 19 Reform - HBC	58,000	29,000.00	21,900.96	
Financial Inclusion - HBC	38,818	19,409.00	36,658.45	Provider is awaiting external funding to offset overspend.
Hartlepool Partnership (Management & Consultancy)	24,800	12,400.00	4,719.18	
Hartlepool Partnership Skills & Knowledge	5,000	2,500.00	225.00	
Resources allocated to support existing projects currently funded from Council's core budget which can now be funded from the Area Based Grant	258,000	129,000.00	258,000.00	Council received full funding allocation in Q1.
	<b>5,022,196</b>	<b>2,511,098.00</b>	<b>2,664,186.68</b>	