

REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO DECISION SCHEDULE



Friday 17 June 2011

at 3.30 pm

in Committee Room C, Civic Centre, Hartlepool

Councillor Pamela Hargreaves responsible for Regeneration and Economy will consider the following items.

1. KEY DECISIONS

No items

2. OTHER ITEMS REQUIRING DECISION

- 2.1 Regional Growth Fund – Round 2 – *Assistant Director (Regeneration and Planning)*

3. ITEMS FOR INFORMATION

- 3.1 Working Neighbourhoods Fund (WNF) Final Outturn 2010/11 – *Assistant Director, Regeneration and Planning*
- 3.2 Review of Financial Assistance Provided by Economic Development Section – *Assistant Director, Regeneration and Planning*
- 3.3 Regeneration and Neighbourhoods Departmental Plan Monitoring Report – April 2010 to March 2011 – *Director of Regeneration and Neighbourhoods*
- 3.4 Targeted Vacant Buildings Grant Scheme – *Assistant Director (Regeneration and Planning)*

REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO

Report To Portfolio Holder
17th June 2011



Report of: Assistant Director (Regeneration and Planning)

Subject: REGIONAL GROWTH FUND ROUND 2

SUMMARY

1. PURPOSE OF REPORT

To provide details on the Round 2 of the Regional Growth Fund [RGF] and for the Portfolio Holder to make comment and endorse the approach to RGF particularly with regard to potential programme bids within the Tees Valley.

2. SUMMARY OF CONTENTS

Details of the criteria for individual business and programme bids and information relating to the emerging proposals for a Tees Valley Wide programme bid.

3. RELEVANCE TO PORTFOLIO MEMBER

RGF falls within the Regeneration and Economic Development Portfolio.

4. TYPE OF DECISION

Non key.

5. DECISION MAKING ROUTE

To be considered by the Regeneration and Economic Development Portfolio on 17th June 2011.

6. DECISION(S) REQUIRED

For the Portfolio Holder to provide any comments and endorse the principles of a Tees Valley programme bid approach.

Report of: Assistant Director [Regeneration and Planning]

Subject: REGIONAL GROWTH FUND ROUND 2

1. PURPOSE OF REPORT

- 1.1 To provide details on the Round 2 of the Regional Growth Fund [RGF] and for the Portfolio Holder to make comment and endorse the approach to RGF particularly with regard to potential programme bids within the Tees Valley.

2. BACKGROUND

- 2.1 The Coalition Government as part of its attempt to stimulate the economy has introduced a competitive bidding process for RGF which aims to stimulate private sector investment and job creation thereby creating economic growth. The fund is particularly focused on areas that are dependent on public sector jobs and investment.
- 2.2 The criteria for RGF includes the following keys points.
- Grant limit of 15% of eligible project costs.
 - Minimum grant requirement of £1m.
 - Eligible projects costs include capital expenditure although some elements of revenue spend can be supported.
 - State aid and procurement compliant.
 - Additionally – demonstrate market failure / demonstrate that project would not go ahead without RGF.
 - Value for money – economic impacts against grant request
 - Due diligence – successful applicant pays for due diligence

3. PROPOSALS

- 3.1 Round 2 of RGF has been opened up with a deadline for submission of 1st July 2011. In terms of individual applications from businesses both Hartlepool Borough Council and Tees Valley Unlimited will offer support to the businesses to complete applications, providing a range of expertise including key local economic statistics , grant ratios including

cost per jobs, stock answers for the more generic questions and linkages into the LEP to ensure endorsement from Tees Valley.

3.2 The Government are also encouraging the development of Programme Bids to support business, e.g. business finance, guidance, technical support etc. In terms of potential programme bids the additional following criteria applies

- A clear over arching investment strategy for the Tees Valley.
- A collaborative approach to deliver a set of related activities.
- Clear Governance arrangements and capability clearly demonstrated.
- Risk management and exit strategy.
- Programme bid administrative costs will not be funded by RGF.
- Demonstrate sustainability of jobs and growth post RGF funding.

3.3. At the present time a range of options are being considered for programme bids from the public, voluntary/community and private sectors.

The emerging areas of interest cover the following themes;

- Animation, prestart and start up support.
- Business growth
- Supply chain development and procurement
- Social Enterprise Support
- Finance portfolio
- Networking Groups
- Knowledge Bank
- Market profiling including monitoring and control
- Youth employment linked to successful job creating RGF bids

3.4 As noted above the programme bid development is an emerging piece of work and it is anticipated that further details will be proved as the proposals develop over the next few weeks leading up to the submission deadline of 1st July 2011.

4. RECOMMENDATIONS

- 4.1 For the Portfolio Holder to provide any comments and endorse the principles of a Tees Valley programme bid approach.

5. REASONS FOR RECOMMENDATIONS

- 5.1 To ensure maximum financial benefit is accrued through the RGF process helping to deliver economic growth in Hartlepool and the Tees Valley.

6. BACKGROUND PAPERS

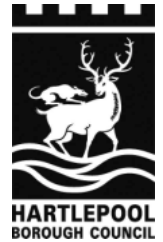
- 6.1 None.

7. CONTACT OFFICER

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REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO

Report To Portfolio Holder
17th June 2011



Report of: Assistant Director (Regeneration and Planning)

Subject: WORKING NEIGHBOURHOODS FUND (WNF)
– FINAL OUTTURN (2010/11)

SUMMARY

1. 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 the 2010/11 financial year.

2. SUMMARY OF CONTENTS

The report sets out the spend position of the projects within the WNF programme at the end of 2010/11 financial year.

3. RELEVANCE TO PORTFOLIO MEMBER

The WNF is within the remit of the Regeneration & Economic Development Portfolio.

4. TYPE OF DECISION

The report is non key, for information.

5. DECISION MAKING ROUTE

The WNF programme was agreed by Cabinet on the 9th February 2009 and by Council on 12th February 2009.

Regeneration & Economic Development Portfolio 26th February 2010.

6. DECISION(S) REQUIRED

The Portfolio Holder is requested to note the spend position of the WNF programme at the end of the financial year (2010/11).

Report of: Assistant Director (Regeneration and Planning)

Subject: WORKING NEIGHBOURHOODS FUND (WNF)
– FINAL OUTTURN (2010/11)

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 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 9th February 2009 as part of the Local Authority budget. The budget was then approved by Council on 12th 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 Coalition Government on 24 May 2010, Hartlepool Borough Council received confirmation that the Area Based Grant (ABG) would be reduced 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 5th August 2010), the new revised budget for WNF in 2010/11 was £4,938,085.

3. WNF QUARTER 4 (2010/11) FINAL SPEND POSITION

- 3.1 As stated, in total, £4,938,085 of WNF was available to spend in 2010/11.
- 3.2 **Appendix 1** sets out in detail the financial position at the end of the year. Child and Adult Services previously reported that the £420,000 expenditure provided directly to Primary and Secondary Schools was fully spent.
- 3.3 **Appendix 1** highlights that £4,925,603 of the WNF budget was shown as spent at the end of the year. This is an underspend of only £12,481.99 and equates to 99.74% spend of the overall available grant for 2010/11.

4. FINANCIAL IMPLICATIONS

- 4.1 The report sets out the 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 The Portfolio Holder is requested to note the spend position of the WNF programme at the end of the financial year (2010/11).

6. CONTACT OFFICER

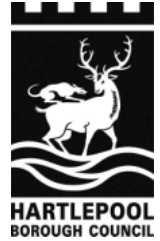
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REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO

Report To Portfolio Holder
17th June 2011



Report of: Assistant Director (Regeneration and Planning)

Subject: REVIEW OF FINANCIAL ASSISTANCE
PROVIDED BY ECONOMIC DEVELOPMENT
SECTION

SUMMARY

1. PURPOSE OF REPORT

To provide detail of the financial assistance provided by the Council to support local enterprise during the financial year ending March 2011.

2. SUMMARY OF CONTENTS

The report provides details of the various financial assistance schemes available, including the administrative details of the schemes. Details of the individual awards made in the financial year ended March 2011 are also provided.

3. RELEVANCE TO PORTFOLIO HOLDER

The Economic Development Service falls within the remit of the Regeneration and Economic Development Portfolio Holder.

4. TYPE OF DECISION

Non key.

5. DECISION MAKING ROUTE

Regeneration and Economic Development Portfolio meeting on 17th June 2011.

6. DECISION(S) REQUIRED

The Portfolio Holder notes the report.

Report of: Assistant Director (Regeneration and Planning)

Subject: REVIEW OF FINANCIAL ASSISTANCE
PROVIDED BY ECONOMIC DEVELOPMENT
SECTION

1. PURPOSE OF REPORT

- 1.1 To provide detail of the financial assistance provided by the Council to support local enterprise during the financial year ending March 2011.

2. FINANCIAL ASSISTANCE REGIMES

- 2.1 The Council operates a variety of schemes to support individuals into work or self employment, together with schemes to support enterprise and business development.

- 2.2 Criteria and approval mechanisms of the various schemes are provided in **Appendix A**. The detail of the individual regimes is as follows:

2.2.1 Business Grants Package

This regime has been in operation since 1996, shortly after the council was awarded unitary status. It was developed as a local response to the previous Flexible Assistance Scheme operated by Cleveland County Council. It is the primary form of assistance for established businesses, although can be used for start ups which meet the criteria. The scheme was particularly “job creation” oriented, although the funding is normally aimed at capital spend or assistance towards the Non Domestic Rates costs of additional floorspace.

- 2.2.2 The scheme was initially targeted at manufacturing businesses, or those offering services direct to manufacturers. However in 1999, in recognition of a growing Service Sector, amendments were agreed to the scheme to allow businesses from this sector, provided that 50% of their turnover emanates from outside Hartlepool, to participate in the scheme. At the same time, it was also agreed that job safeguarding could be considered as an acceptable output where businesses were applying improvements to their business which may not lead to job creation per se, e.g. purchasing equipment which has a greater degree of automation, not necessarily leading to an increased workforce.

2.2.3 This scheme is considered an important intervention, particularly for growth businesses. It allows the Borough Council to support the majority of inward investors and also to involve Hartlepool Working Solutions staff in the business – greatly increasing the opportunity for employment for Hartlepool residents. Where substantial numbers of jobs are created, the grant can stipulate that in order to drawdown the funding a percentage of the jobs must go to Hartlepool residents.

2.2.4 Access to Markets

This regime was developed as part of the response to Hartlepool's Incubation Strategy, produced by DTZ Pida in 2002. In essence the strategy suggested the need for capital spend in respect of premises and a "system" overarching this to support local business.

2.2.5 Following consultation with businesses, it became clear that there were a number of measures which were being offered for exporting businesses through UK Trade and Investment which would allow businesses to grow and develop if they were replicated for a UK market.

2.2.6 This scheme therefore supports businesses which are looking to develop into markets beyond the region, where this may be a first step towards exporting or where there is a clear element of risk in the strategy. Interventions may include the development of marketing strategy, production of marketing materials, the purchase of bespoke marketing information.

2.2.7 Should the assistance of an expert be required, Economic Development staff have the ability to interrogate the North East England Service Provider Register (NEESPR) to find potential, suitable individuals. Individuals on this register have been verified and have all the relevant insurance and professional indemnities, helping to ensure the security of clients and also complying with ERDF good practice.

2.2.8 The scheme underpins the desire to encourage businesses away from a purely local market, broadening their horizons and ultimately bringing increased wealth into the Town.

2.2.9 Enterprise Development Fund

This scheme has operated in various forms since the City Challenge programme. Since that time, the scheme has been funded through a variety of regeneration initiatives as well as with "core" Borough Council monies. The scheme is the main form of support for new start businesses (less than 3 years old), primarily in the form of capital.

2.2.10 The scheme is an important means of supporting new businesses, which remains a priority for the Town's Economic Regeneration. While significant progress has been made in terms of increasing the diversity and numbers of businesses in the Town, further intervention is still required to achieve greater parity with regional and national figures.

2.2.11 ICT

This regime encourages the use of ICT within a young business and was originally developed in partnership with Hartlepool College of Further Education as part of the Digital Hartlepool project.

2.2.12 The scheme is rarely used, but is specifically targeted at developing digital businesses or improving the use of ICT within a young business. Where advice is required from an expert, Economic Development staff would interrogate NEESPR as outlined in para. 2.2.7

2.2.13 Incubation Bursaries

These bursaries were developed again in response to the Incubation System (see para.2.2.4).

2.2.14 The bursaries form a flexible form of assistance to individuals/businesses which are considered as having growth potential, or are primarily of a digital/creative nature.

2.2.15 The interventions were developed following consultation with businesses and following pilot activity particularly with the "Enterprising Hartlepool" group of businesses. The interventions include a number of "surgeries" by Accountants and Solicitors and intensive support across measures including PR and Marketing, Business Processes, financial planning etc., all of which were considered barriers to entry or development.

2.2.16 As in the case of other regimes, where experts are required these would normally be drawn from the NEESPR, and clients would normally be encouraged to meet at least three before selecting their preferred supplier.

2.2.17 Women's Development Fund

This fund was developed in conjunction with the Women's Opportunities Programme. This programme was primarily funded through regeneration initiatives and was primarily focused around assisting women to overcome the hurdles which they faced in returning to employment.

2.2.18 Whilst much of the work undertaken through Womens Opportunities has been "mainstreamed", the number of

women into self employment remains lower than the number of men. The Development Fund has therefore remained in place with an emphasis on providing training or marketing assistance for women considering self employment as an option. The scheme continues to be popular as a means of helping women overcome the specific hurdles which they face in the employment market.

2.2.19 Security Grant

The Security Grant regime was developed through City Challenge in a similar way to the Enterprise Development Fund and has continued to be funded through a variety of regeneration initiatives (see para. 2.2.9).

2.2.20 Whilst the scheme is for low level interventions, it has been successful in supporting particular geographic areas, where funding has been provided and is popular with businesses as a means of crime prevention.

2.2.21 Again where expert advice is required, a directory of firms is held and businesses are asked to consider 3 suppliers.

2.2.22 Employment Bursaries

Whilst not considered a direct grant for business start up or growth, these bursaries are provided to businesses to encourage them to employ unemployed residents. They can also be used as a bursary towards self employment.

2.2.23 Bursaries were originally developed to encourage construction businesses winning contracts through City Challenge to recruit their workforce from Hartlepool. As the success of the scheme grew, the bursaries were expanded to cover other sectors.

2.2.24 Bursaries are an ideal means to encourage businesses to employ hard to reach individuals and are utilised to cover initial wages or offset training and induction costs.

2.3 Details of actual approvals for the last financial year are provided in confidential **Appendix B**.

This appendix contains exempt information under Schedule 12A of the Local Government Act 1972, (as amended by the Local Government (Access to Information)(Variation) Order 2006) namely (paragraph 3), information relating to the financial or business affairs of any particular person (including the authority holding that information).

3. MONITORING, MEASURES AND POST-AWARD ACTIVITY

3.1 All the schemes are monitored over an initial 6 month period to ensure all financial criteria are met:

3.1.1 Month 1 – all financial aspects are complete – original paid invoices have been received and copies are retained (for European Regional Development Fund purposes)

3.1.2 Up to month 6 – a review is undertaken with the business to ensure that the service has been beneficial and that the increased turnover and job creation and/or safeguarding have been achieved.

3.1.3 In some cases the monitoring may carry on for a longer period if the anticipated increase has not been achieved or where the turnover is measured at the time of the business' accounting year end.

3.2 Because some of the awards are eligible for ERDF, there is a formal monitoring process, gathering information about job creation, business formation and increases in turnover. This information must be clearly auditable to satisfy the funders.

3.3 Outputs are also reported for service planning purposes as part of the wider Economic Development service.

3.4 In addition, some of the awards may lead to the development of a long term relationship with the businesses to assist their growth and development over a longer period. This can be important in building loyalty in the businesses to Hartlepool and encouraging them to commit their future to the Town and as a consequence offering employment opportunities. Where possible, businesses are encouraged to engage with Hartlepool Business Forum, including the Business Awards, and other appropriate forums. Where beneficial referrals are made to the Business Link contractors to ensure that other business support measures are considered.

3.5 In the case of the incubation bursaries, reports are received about the nature of the work undertaken from both provider and client to ensure that the service has met the needs of the business. The employment bursaries are paid in “tranches” subject to confirmation of continuing employment to ensure that funding is only made available to those businesses eligible to receive it.

3.6 Performance measures for the different regimes are not normally reported in isolation, but form part of the wider outputs of the Economic Development team. As such no “specific” targets are apportioned to the different regimes, other than through the externally funded programmes.

- 3.7 However, for the purpose of this report, the measures in the last financial year have been drawn together, as follows:

Job Creation	-	80 jobs
Jobs Safeguarded	-	35 jobs
Residents into employment	-	40 individuals
Business Start Ups	-	41 new businesses assisted

4. FINANCIAL IMPLICATIONS AND RISK

- 4.1 The service operates to an annual core budget for grants, currently standing at £101,173. In previous years some of the regimes have been funded through external resources, primarily Working Neighbourhood Fund and Community Safety monies. For eligible awards, European Regional Development Fund (ERDF) monies have been available. The information in **Appendix B** shows that total spend for the year amounts to £137,844. Against this, there has been private sector leverage of £670,535.
- 4.2 The Service Development Option review for Economic Development has been advanced to this financial year which is likely to have implications for this budget. In addition because of the loss of Working Neighbourhood Funding the ERDF monies will be reduced this financial year and that programme closes in March 2012.
- 4.3 Each of the different regimes has aims specific to their circumstances and continue to be considered beneficial to businesses in different circumstances. As resources have declined in recent years, Economic Development Staff sought to reduce the amount of grant per award in an attempt to assist as many projects as possible. In addition, much of the administration of the grants is undertaken by Enterprise Centre staff to minimise those costs.
- 4.4 The success of each grant is dependent upon the ability of businesses to fulfil their business plans. There is always therefore an inherent risk that the level of job creation or business growth will not be seen. Economic Development staff undertake reviews of the business plans and in particular the financial information to try to mitigate against this risk and ensure that the plans are robust and achievable.
- 4.5 The benefit of capital grants to both assist growth and develop new businesses has grown in importance due to the closure of the national Grant for Business Investment product. Regional Growth Fund will not fill this gap in providing relatively low levels of funding for business. These regimes remain therefore key to the ongoing development of the business base of the Town and the Borough Council's opportunity to intervene.

- 4.6 The regimes which seek to encourage growth through revenue measures are also important tools to continue the diversification of the local economy away from both generic manufacturing and the over reliance on large employers. As the physical Incubation facilities in the Town continue to grow, with the completion of UK Steel's extension at Queens Meadow and the ongoing development plans for Crown Buildings, it will be important to have business support measures in place to support the new businesses. The risk at the present time remains the lack of support from national schemes, which will be further exacerbated once the current Business Link programme closes in the Autumn, with the lack of any immediate replacement. Tees Valley-wide Regional Growth Fund bids will therefore have an important role to play in ensuring some continuity of support, although it is unlikely that these will replicate the present schemes being operated in Hartlepool.
- 4.7 In terms of employment bursaries, it is possible that these will still be available through generic schemes funded through the Department for Work and Pensions, e.g. Work Programme. Other funders who have undertaken similar funding in the past (e.g. Princes' Trust) have also ceased this type of funding for self employment, moving to a more advisory service. With predicted increases in unemployment it is likely that demand for bursaries will remain high, although again, the reduction in Economic Development funding will make this difficult to achieve.

5 RECOMMENDATIONS

- 5.1 The Portfolio Holder notes the report.

6 CONTACT OFFICER

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APPENDIX A**Existing Financial Assistance Schemes being operated within the Economic Development Unit**

Title	Scope of Scheme	Approval mechanism post January 2009
Business Grants Package	<p>£20,000 maximum</p> <p>Businesses can apply for any 2 forms of assistance towards the cost of a project, subject to eligibility criteria:</p> <ul style="list-style-type: none"> • Capital • Rates Relief • Job Creation <p>(a max. of £10,000 in total is applicable for the latter 2 areas)</p>	<ul style="list-style-type: none"> • Awards of £5,001+ <ul style="list-style-type: none"> ○ Officers advise businesses with preparation of application to include business plan ○ Report prepared for consideration by panel (including 1 external representative) ○ Panel make recommendation ○ Decision delegated to Assistant Director, Planning and Economic Development • Awards up to £5,000: <ul style="list-style-type: none"> ○ Officers advise with preparation of application ○ Report prepared for consideration by HBC officers ○ Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence
Access to Markets	<p>£2,500 max (up to 50% of the costs of a project)</p> <p>All types of businesses are eligible to apply, provided that the project relates to winning business from outside of the area. Assistance retains maximum flexibility in the type of activity which will be funded, but tends to be in the area of website development, bespoke marketing exercises or the production of marketing material.</p>	<ul style="list-style-type: none"> • Officers assist with preparation of application, including where necessary business plan and financial forecasts • Completed application assessed by HBC Officers • Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence

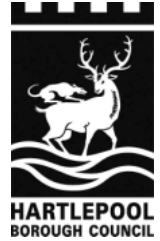
Title	Scope of Scheme	Approval mechanism post January 2009
Enterprise Development Fund	<p>£5,000 maximum</p> <p>Businesses up to 3 years old, employing less than 10 people are eligible to apply for assistance. The assistance provided tends to be for capital purposes, although the fund maintains maximum flexibility to ensure that the needs of the business are the primary consideration.</p>	<ul style="list-style-type: none"> • Officers assist with preparation of application, including where necessary business plan and financial forecasts • Completed application assessed by HBC Officers • Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence
ICT	<p>£2,000 max. (50% of costs of project)</p> <p>All types of businesses are eligible provided they are aged between 6 – 24 months. Projects must be in respect of developing use of ICT within a business.</p>	<ul style="list-style-type: none"> • Officers assist with preparation of application, including where necessary business plan and financial forecasts • Completed application assessed by HBC Officers • Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence
Incubation Bursaries	<p>£5,000 maximum</p> <p>Assist businesses with more intense support through a range of measures including legal, financial, marketing, business processes to improve the opportunity for new businesses to start and/or grow</p>	<ul style="list-style-type: none"> • Diagnostic meeting undertaken to assess business needs • Appropriate support provided by North East Supplier Provider Registered business • Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence
Women's Development Fund	<p>£500 maximum</p> <p>Available for both individuals and new businesses (up to 6 months old).</p>	<ul style="list-style-type: none"> • Clients prepare application with appropriate supporting documentation • Decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence

Title	Scope of Scheme	Approval mechanism post January 2009
		(Employment)) in their absence
Security Grant	50% of eligible costs < £2,500 grant award, subject to recommendation of the Crime Prevention Officer (CPO)	<ul style="list-style-type: none"> • Application form completed • CPO visits and confirms suitability of requests • Completed application assessed by HBC Officers • Ultimate decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence
Employment Bursaries	£500 maximum Small bursary towards the costs of entering employment, including self-employment, subject to evidence of job offer.	<ul style="list-style-type: none"> • Application Form completed • Officers meet with client and check eligibility • Ultimate decision delegated to 2 officers one of whom must be the Economic Development Manager (or Principal Economic Development Officer (Business Services) or Principal Economic Development Officer (Employment)) in their absence

REGENERATION AND ECONOMIC DEVELOPMENT PORTFOLIO

Report to Portfolio Holder

17th June 2011



Report of: Director of Regeneration and Neighbourhoods

Subject: REGENERATION AND NEIGHBOURHOODS
DEPARTMENTAL PLAN MONITORING
REPORT – APRIL 2010 TO MARCH 2011

SUMMARY

1. PURPOSE OF REPORT

To inform the Portfolio Holder of the progress made against the Regeneration and Neighbourhoods Departmental Plan 2010/11.

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 some aspects of the Regeneration and Neighbourhoods Departmental Plan, covering those areas which fall within the scope of this Portfolio.

4. TYPE OF DECISION

Non-key.

5. DECISION MAKING ROUTE

Portfolio Holder meeting 17th June 2011.

6. DECISION REQUIRED

The Portfolio Holder is requested to:

- Note the year end position of key actions and performance indicators along with the latest position with regard to risks.

Report of: Director of Regeneration and Neighbourhoods

Subject: REGENERATION AND NEIGHBOURHOODS
DEPARTMENTAL PLAN MONITORING
REPORT - APRIL 2010 TO MARCH 2011

1. PURPOSE OF REPORT

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






2. BACKGROUND

- 2.1 The Portfolio Holder has responsibility for performance management issues in relation to some aspects of the Regeneration and Neighbourhoods Departmental Plan, covering those areas which fall within the scope of this portfolio.
- 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. FOURTH 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.
- .

- 3.3 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

- 3.4 Within the Departmental Plan there are a total of 15 actions and 26 performance indicators for which the Portfolio Holder has responsibility. Table 1, below, summarises the progress made, to the 31st March 2011 towards achieving these actions.

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

	Departmental Plan (Regeneration & Economic Development Portfolio)	
	Actions	PI's
	15	9
	-	-
	-	3
	-	-
	-	11
Annual	-	1
Total	15	24

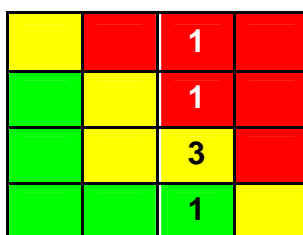
- 3.5 It can be seen from the above table that all fifteen of the actions for which the Portfolio has responsibility have been highlighted as having achieved target, these include:

- Working with partners to secure investment in the Southern Business Zone including the continued development of Queen's Meadow, which has seen investment by UKSE in the 20,000sqft Innovation Centre extension. Further investment has also been made by BizSpace investing in redeveloping the workshops on Usworth Road Industrial Estate.
- An Economic Assessment being completed including the presentation to Cabinet. This Economic Assessment will form the basis of the emerging Economic Regeneration Strategy.

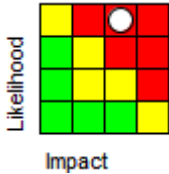
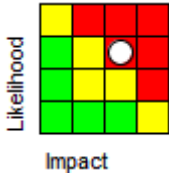
- 3.6 Nine performance indicators are reported as having achieved target, with a further three within acceptable limits.
- 3.7 Eleven indicators are highlighted as target not achieved, five of which relate to employment and have previously been reported to the Portfolio Holder. Details of the remainder of these indicators are shown in the table below:

Indicator Ref	Indicator Description	Target	Outturn	Comments
RPD P052	Unemployment rate (Hartlepool) (LAA JE5)	7.4%	3.7%	Unemployment rate has remained constant over the last two months despite very small national drop, however the gap with North East rate has remained constant. Despite significant increase in female unemployment nationally it has risen by 0.1% in Hartlepool.
NI 198a(iii)	Children travelling to school – mode of transport usually used - 5-10 years - public transport	2.2%	3.2%	The figure has increased slightly on last year, however, an increase in the number of children walking could explain the percentage change.
NI 198a(v)	Children travelling to school – mode of transport usually used - 5-10 years - cycling	0.3%	1.2%	Slight reduction in the percentage of children cycling to school, however actual numbers are very small.
NI 198b(iv)	Children travelling to school – mode of transport usually used - 11-16 years - walking	46.4%	55.9%	Reduction in the number of children walking possibly due to the closure of Brierton School resulting in children having to travel greater distances.
NI 198b(v)	Children travelling to school – mode of transport usually used - 11-16 years - cycling	1.3%	1.7%	Slight reduction in the number of children cycling, possibly due to the closure of Brierton School and the Dyke House School decant.

- 3.8 The remaining indicator, marked as updated annually, relates to bus usage figures. At this time the Council is awaiting the final figures from bus operators in the town, it is not therefore possible to provide the Portfolio Holder with information as to how this has performed.
- 3.9 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.
- 3.10 The diagram below shows the distribution of risks according to their risk rating. There are 6 departmental risks relevant to this portfolio, two of which are felt to be high red rated risks. These risks are detailed in the table below.



Impact

Risk	Current Rating	Comments
RND R002 – Reduced levels of public sector funding affecting the delivery of key activities to support businesses and residents		The Department is responding to new Government policy on enterprise zones that may offer significant competitive advantages to key employment sites within the Borough. In addition round 2 of Regional Growth Fund has been announced and the Department is considering supporting private sector bids and developing programme bids to support business development
RND R029 - Inability to achieve external funding to support the delivery of long term regeneration targets		Whilst investment plans have been prepared and will be reinforced by the emerging Economic Regeneration Strategy, the current severe restrictions on public funding have increased the risk of achieving external funding to support regeneration. Alternative methods are however being pursued including use of Council assets and seeking private sector partners to support regeneration.

4. RECOMMENDATIONS

4.1 The Portfolio Holder is requested to:

- Note the year end position of key actions and performance indicators along with the latest position with regard to risks.

5. CONTACT OFFICER

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REGENERATION & ECONOMIC DEVELOPMENT PORTFOLIO

Report To Portfolio Holder
17th June 2011



Report of: Assistant Director (Regeneration and Planning)

Subject: TARGETED VACANT BUILDINGS GRANTS
SCHEME

SUMMARY

1. PURPOSE OF REPORT

To provide an update on the Targeted Vacant Buildings Grant Scheme.

2. SUMMARY OF CONTENTS

The report outlines the current position of the overall grant scheme and details the projects that have been approved.

3. RELEVANCE TO PORTFOLIO MEMBER

The grant scheme supports the ongoing regeneration of the town centre and the Portfolio Holder has responsibility for regeneration issues.

4. TYPE OF DECISION

Non Key.

5. DECISION MAKING ROUTE

Regeneration and Neighbourhoods Portfolio meeting 17th June 2011
Report for information.

6. DECISION(S) REQUIRED

The Portfolio Holder is requested to:

- (i) Note the update Targeted Vacant Buildings Grant Scheme.

Report of: Assistant Director (Regeneration and Planning)

Subject: TARGETED VACANT BUILDINGS GRANTS
SCHEME

1. PURPOSE OF REPORT

- 1.1 To provide an update on the Targeted Vacant Buildings Grant Scheme.

2. BACKGROUND

- 2.1 The Targeted Vacant Buildings Grants Scheme has an allocated budget of £200,000 from Hartlepool Borough Councils capital programme, for improvements to business premises. The scheme is focused on the vacant properties in the town centre (in particular the stretch of York Road between Park Road and Victoria Road) and premises in the Southern Business Zone.
- 2.2 The aim of the scheme is to improve vacant buildings to encourage re-use of vacant properties in the town centre and increase the commercial viability of premises in the two areas.
- 2.3 The scheme provides grants of 60% of the cost of works up to a maximum of £15,000. The grant rates have been set to ensure that the level of grant available are sufficient enough to encourage owners to invest in their premises and achieve significant environmental benefit, whilst at the same time securing value for the public money invested.
- 2.4 Officers have been working proactively with agents and owners in the two areas in order to encourage interest in the grant programme and to develop projects that will improve the premises/site, increase marketability and encourage future use of these sites. The budget allocation initially related to the financial year 2010/11, however due to the lead in time for developing projects the delivery planned for the programme has been extended to March 2012. There has been significant progress on schemes in recent months, details of which are highlighted below.

3. PROJECT UPDATE – APPROVED PROJECTS

- 3.1 To date seven projects have been issued formal offer letters following approval, this has resulted in a budget commitment of £97,103.40. Project details are listed in 3.2.

3.2

Premises	Brief Project Description	Grant Amount
109 York Road, empty property	Extensive external works including new timber shop front, roller shutter window work, rainwater goods, roof works, internal works to retail space. Project Completed.	£15,000
Corner A689/Belle Vue Way – Derelict site	Site clearance, replacement of perimeter fencing and gates with new fencing and gate. Project due to start on site.	£15,000
B1277 Brenda Road route, key route	Replacement of perimeter fencing to the site, replacement of the roof to existing building, external landscaping, new signage, external cladding of main building. Project due to start on site.	£15,000
117 York Road, empty property	New timber shop front, new roof, works to chimneys, rainwater goods and replacement windows. Project Completed.	£12,224
Tees Bay Business Park	Removal and replacement of perimeter fencing to the site, new roller shutter door, replacement of hard standing area for car parking, site clearance, external repairs and drainage. Project due to start on site.	£15,000
Former James Graham Timber Yard site	Comprehensive treatment to the front of the building, external redecoration, replacement of steel corrugated cladding to the building, removal of spoil to the front of the site and levelling the hard stand in area to the site. Project on site.	£15,000
102 York Road, empty property	Comprehensive roof replacement works and chimney works. Re-pointing, treat damp problems. Works to fire escape. Replace all of the rainwater goods. Provide new roller shutter. All timber to be primed and painted. Project due to start on site, awaiting planning permission.	£9,879.60

3.3 Two projects have been completed (as detailed above), bringing two empty buildings on York Road back into use. Before and after photos are included as **Appendix 1**. These projects have brought two additional

businesses to this section of York Road, improving the vibrancy of the area. One of the tenants has reported an increase in business. Work on the other projects is at various stages, as highlighted in the table.

4. FUTURE APPLICATIONS

- 4.1 Four further projects are currently progressing through the application process. The value of these projects is expected to be £60,000.
- 4.2 Approved projects and those at the application stage currently amount to £157,103.40. In addition to this £1,048.60 has been spent on undertaking Quantity Surveyor checks as part of the application procedure, giving a total budget 'commitment' of £158,152.
- 4.3 Should all of the above projects be approved; there is £41,848 of unallocated budget, this could be used to support a further 3/4 projects. Work is ongoing to identify premises in the two areas that would benefit from the receipt of a grant to bring premises back into use and have a positive impact on the surrounding area providing a catalyst for further investment.

5. FINANCIAL IMPLICATIONS

- 5.1 Funding for the scheme from the Council's 2010/11 capital programme has been agreed previously through Cabinet (25/01/10 & 08/02/10), Scrutiny Coordinating Committee (29/01/10) and Council (11/02/10).

6. RECOMMENDATIONS

- 6.1 The Portfolio Holder is requested to:
 - (i) Note the update on the Targeted Vacant Buildings Grant Scheme.

CONTACT OFFICER

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APPENDIX 1

117 York Road – Before



117 York Road - After



109 York Road – Before



109 York Road – After

