

REGENERATION, ECONOMIC DEVELOPMENT AND SKILLS PORTFOLIO

DECISION RECORD

18 May 2012

The meeting commenced at 9.40 a.m. in the Civic Centre, Hartlepool

Present:

Councillor The Mayor, Stuart Drummond (Portfolio Holder for
Regeneration, Economic Development and Skills)

Officers: Damien Wilson, Assistant Director of Regeneration and Planning
Antony Steinberg, Economic Regeneration Manager
Mick Emerson, Principal Economic Regeneration Officer
Rob Smith, Senior Regeneration Officer
Vicky Bosley, Democratic Services Officer

17. High Streets: The Government's response to the Mary Portas Review (*Assistant Director, Regeneration and Planning*)

Type of decision

Non-key.

Purpose of report

The purpose of the report is to inform the Portfolio Holder of the Government's response to the Mary Portas Review, an independent review of the English high street.

Issue(s) for consideration by Portfolio Holder

The Senior Regeneration Officer reported that the Portas Review was commissioned by the Government to identify what the Government, local authorities, businesses and communities could do to develop prosperous high streets that were relevant to the modern consumer and would allow businesses and independent retailers to thrive. The review was published in December 2011 in response to rising town centre vacancy rates, the challenge of out-of-town shopping centres and the changes in the way in which people shop, especially with the growth of internet retailing. As a result of these challenges many town centres had deteriorated over the last few years, Hartlepool town centre in particular.

The Portas Review was published alongside Government commissioned research “Understanding High Street Performance” which stated that by 2014 less than 40% of retail spending would be on the high street, highlighting the need for high streets to offer something new to entice visitors back. The Government published a response to the recommendations of the Portas Review in March 2012 and launched a number of new high street improvement initiatives, which had been comprehensively detailed within the report.

The recommendations of the report did not contain any financial risks to the Council. It was confirmed that a further report would be submitted to the Portfolio Holder providing the details of how the £100k awarded through the High Street Innovation Fund may be used. The Economic Regeneration Forum had established a working group to determine the most effective ways to use the funding.

Discussions between the Mayor and Officers highlighted that signage was required to indicate the location of the shopping centre, to consumers who lived outside of Hartlepool especially from the north of the town. The Senior Regeneration Officer was currently working with the Highways department to rectify this and the cost of which could be covered by the attached funding. The Mayor commented that previous schemes had worked particularly well and was interested to see the outcome.

Decision

That the Portfolio Holder considered:

- i. How Hartlepool responded to the recommendations outlined within the Portas Review and
- ii. How the £100k that had been awarded to Hartlepool from the High Street Innovation Fund could be used.

18. ERDF Funding – Current Programme and Post 2014 *(Assistant Director, Regeneration and Planning)*

Type of decision

For information only.

Purpose of report

To report on the current North East Competitiveness Programme 2007-13, European Regional Development Fund (ERDF) post 2014 and the development of the transition region.

Issue(s) for consideration by Portfolio Holder

It was reported that as of mid-October 2011, the North East ERDF Programme was valued at £322 million, with only £201 million (62%) committed. This left a potential balance of £121 million that could be invested in the North East; £51 million in priority one and £66 million in priority two, as detailed within the report. By January 2012, further ERDF applications had been submitted and considered at an approximate value of £45 million.

The Programme had recently been subject to an independent mid-term evaluation which recognised a different environment due to the impact of the recession, plus the closure of One North East (ONE) and the regional Business Link Service. Consequently in July 2011 the North East England ERDF Competitiveness Programme's Local Management Committee agreed to submit a modification to the North East ERDF Operational Programme, which was outlined within the report.

The Programme would run until December 2013 and match funding would be required. There may be an opportunity from the Growing Places fund allocation to provide this for any agreed infrastructure projects in the Tees Valley. However, the Tees Valley Directors of Place had been asked to consider any other projects that may meet the new/changing criteria and where match funding opportunities might exist. There was a push for Officers within the Council to identify how other funded programmes could be matched.

The Principal Economic Regeneration Officer reported the European funding post 2014, the key changes, funds that would be available and the geographical coverage of support. The key issues for Tees Valley were also highlighted.

Decision

That the Portfolio Holder noted the contents of the report.

19. Coastal Communities Fund Bid *(Assistant Director, Regeneration and Planning)*

Type of decision

For information only.

Purpose of report

The purpose of the report is to inform the Portfolio Holder of the shape of the proposed bid to Coastal Communities Fund, a new £23.7m Government initiative to support the economic development of coastal communities and to seek approval for the bid.

Issue(s) for consideration by Portfolio Holder

The Senior Regeneration Officer reported that grants in excess of £50,000 were available for projects which benefit coastal communities. The fund was equal to 50% of the revenues generated by the Crown Estate's marine assets, totalling £23.7 million 2012/2013. The UK wide fund would be hosted by the Big Lottery Fund (BIG Fund), and would be delivered on a local level in conjunction with country specific boards, £18.2 million was available for 2012/13 in England. The Portfolio Holder had previously agreed that the focus of the bid should be Seaton Carew and the economic growth possibilities contained within in the Seaton Carew Masterplan.

The proposals were highlighted and included partner responses from the consultation exercise. Partners were asked to fill out and return a short pro forma that provided some basic details regarding the nature of their proposed project. Sixteen pro formas had been received covering a wide range of project ideas. Given the agreement to focus on Seaton Carew and the regeneration plans to improve the attractiveness of the area, there were a small number of project ideas that could not justify inclusion. There were however twelve individual projects that could be included in a collaborative or programme bid. It was expected that the bid would request approximately £2 million of Coastal Communities capital and revenue funding over two years. At this stage the funders had only requested figures for the number of direct and indirect jobs that would be created. The package to date would create approximately 330 indirect jobs, sixteen direct jobs supporting the creation of 150 businesses and supporting 40 social enterprises.

Following submission of the expression of interest document on the 27th April, the funder would inform applicants if they were invited to submit further details by June 2012, applicants would then need to submit final application details by 27th September 2012, with a final decision being made in mid December 2012. It was confirmed that at this expression of interest stage, there were no financial considerations for the Council to consider. However, there was likely to be a demand on officer time in further preparation of a full bid and in implementation, if successful. A Further report to Portfolio Holder would be submitted to agree the scope of this, if the expression of interest was successful.

Decision

That the Portfolio Holder noted the contents of the report.

20. Financial Assistance Provided by Economic Development Regeneration Section – Financial Year 2011 *(Assistant Director, Regeneration and Planning)*

Type of decision

For information only.

Purpose of report

To provide information on the grants offered through Economic Development to support private sector investment and job creation. In addition details are provided on each individual grant awarded during 2011/12.

Issue(s) for consideration by Portfolio Holder

The Principal Economic Regeneration Officer reported that the Council operated a variety of schemes that supported individuals into work or self employment and schemes that support enterprise and business development:

- Business Grants Package
- Access to Markets
- Enterprise Development Fund
- ICT
- Incubation Bursaries
- Women's Development Fund
- Security Grant and
- Employment Bursaries

Details of actual approvals for the last financial year were provided in confidential Appendix A attached to the main report.

The measures for the last financial year were as follows:

- Job Creation - 128 jobs
- Jobs Safeguarded - 42 jobs
- Residents into employment - 11 individuals
- Business Start Ups - 47 new businesses assisted

It was highlighted that service operated to an annual core budget for grants, which stood at £45,112 for the financial year ending March 2012. The information in confidential Appendix A attached to the main report showed that total spend for the year amounted to £111,900. Against this, there had been private sector leverage of £1,546,586.

Decision

That the Portfolio Holder noted the contents of the report.

The meeting concluded at 10.10 am

P J DEVLIN

CHIEF SOLICITOR

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