

# **JOINT REGENERATION SERVICES COMMITTEE AND FINANCE AND POLICY COMMITTEE MINUTES AND DECISION RECORD 11 MARCH 2019**

The meeting commenced at 11.30 am in the Civic Centre, Hartlepool.

**Present:**

Councillor Kevin Cranney (In the Chair)

Councillors: Christopher Akers Belcher Stephen Akers-Belcher, James Brewer, Paddy Brown, Rob Cook, Brenda Harrison, Ann Marshall, Shane Moore, Leisa Smith, Stephen Thomas and Mike Young.

Also Present: Councillors Marjorie James, Ann Marshall and Tony Richardson.

Officers: Gill Alexander, Chief Executive  
Hayley Martin, Chief Solicitor  
Chris Little, Director of Finance and Policy  
Andrew Carter, Assistant Director, Economic Growth and Regeneration  
Steve Hilton, Communications and Marketing Team  
David Cosgrove, Democratic Services Team

## **1. Apologies for Absence**

Councillor Jim Lindridge.

## **2. Declarations of Interest**

Councillor Christopher Akers-Belcher declared an interest as a trustee of the National Museum of the Royal Navy Hartlepool.

## **3. Capital Investment Programme** (*Director for Regeneration and Neighbourhoods*)

### **Type of decision**

Key Decision (test (i) or (ii). General Exception Notice.

### **Purpose of report**

The report provided an update on the delivery of the Council's Capital

Investment Programme and advised on the funding the Council had secured as part of the Tees Valley Combined Authority (TVCA) Investment Plan.

The report also sought approval to refer the report to Council to inform all Members of the TVCA funding of £42M secured for Hartlepool and to enable this to be included in the Council's Capital Investment programme to continue the delivery of the regeneration of Hartlepool in line with the Council plan ambitions.

### **Issue(s) for consideration**

The Assistant Director, Economic Growth and Regeneration reported that the Council Plan 2017 – 2020 sets out the Council's ambition for the town, building on our distinctive heritage, looking forward to shaping an exciting future. Despite the unprecedented challenges the Council faces it is actively planning for growth: over 6,000 new homes and business space for over 4,000 new workers across Hartlepool over the next 15 years. The guiding principles of this growth are a controlled westward extension of the town, supported by infrastructure investment, and the continued enhancement and expansion of the Borough's existing business and cultural locations.

The Assistant Director highlighted the following key points from the report –

#### **Growing our economy**

- In 2016 the business start-up rate was better than the national average. At the same time, the number of jobs in the Borough has also grown by a significant number (775).
- Since the inception of Business Compass in January 2017 we have seen £4.2m investment in the Hartlepool business Community.
- Hartlepool had lead on the Youth Employment Initiative (YEI) attracting £28m of European funding to the Tees Valley. On the back of this success the TVCA adopted Hartlepool's Youth Improvement approach attracting a further £7.5m.
- The Council had assisted the Northern School of Arts in securing to relocate and refurbish existing facilities in Church Street.
- The Council had developed the Centre of Excellence and Creative Arts, attracting £655k contributing towards the final project cost of £1m, and supported Hartlepool College of further Education (HCFE) in securing circa £300k to invest in telecare and electric vehicle skills.
- There had been significant investment of £72m in both our primary and secondary schools, including £58m in relation to the Priority School Building programme.

#### **Regenerating our town**

- The Waterfront - securing the arrival of the National Museum of the Royal Navy in Hartlepool has ensured the town has a visitor destination

of national significance. The Council had been instrumental in securing £1.2M of TVCA grant to enhance the existing facilities as well as transport the latest exhibition RML497, the last of the Fairmile fleet to the town.

- The Waterfront Festival was highly commended at the North East Tourism Awards in 2017. To date the Council had received circa £180K in public sector contributions and rental fees for the hire of the site.
- The Innovation and Skills Quarter (ISQ) will boost the growth of the creative industries sector in Hartlepool building upon the £14.75m investment that has been made to create new teaching facilities for the Northern School of Arts on Church Street.
- To date £9.648m had been invested in the ISQ area, £6m from TVCA and £1.3M from the Heritage Lottery Fund with the remainder from the Council. This investment had enabled the following projects to progress
  - The creation of 31 managed workspace units at The BIS, the centre will be managed by the Council;
  - Public realm improvement works along Church Street, creating a more open, pedestrian-friendly environment;
  - Heritage Lottery Funding grants to local businesses;
  - A major uplift to Church Square, which is now pedestrianised with a large oval event space encircled by trees and raised seating in front of Hartlepool Art Gallery; and
  - A new pedestrian crossing, highway improvement and traffic signalling works on Stockton Street which is currently under construction.
- The second phase of the ISQ development will see significant refurbishment of two disused buildings, developing innovative design led teaching space and a fit for purpose Film and TV studio.
- A further £682k had been secured to invest in our cultural and museum services over the next 4 years.
- The Seaton Carew regeneration programme would be completed this year and to date, the Council had secured £1.3m creating a new outdoor leisure park complete with a water fountain play area. This year would see the opening of new Beach huts attracting private sector capital investment and rental income.
- Flood and Coastal defences – the Council had attracted investment £16.9m in grant aid and through the local levy to improve our flood and coastal defences at the Headland and Seaton Carew. The Headland Town Wall scheme had received regional recognition receiving two awards from the Civil Engineering Contractors association and won Project of the Year at the Constructing Excellence in the North East Awards.

#### Developing Hartlepool

- Hartlepool has the fastest housing growth in the Tees Valley – up 9.7%.
- £3.1m of developer contributions had been secured contributing towards affordable housing, green infrastructure, sports and play provision and education. In addition a further £1.9m from Homes England has also contributed the development of new social housing and our empty

homes programme.

- Recent planning decisions had enabled developer contributions to be secured contributing towards the Western growth corridor, a new £18m link road to an enhanced grade-separated junction on the A19 at Elwick North – providing a third point of entry and exit for Hartlepool.
- Hartlepool and Redcar and Cleveland Borough Councils and South Tees Development Corporation recognise a river crossing could bring significant economic benefits both north and south of the Tees as such Hartlepool Council has secured £180k to commission a feasibility study into the development of a new eastern crossing.

#### Investing in Neighbourhoods

- The Council has invested £5.5m, £4.0m for highway / carriageway resurfacing, footpaths and verge schemes improvements and £1.5m for to improve the environment and public realm through a coordinated Neighbourhood and Highway Investment Programme.
- The programme attracted £250k investment from partner agency Thirteen and a further £550k landfill tax fund which is currently being invested in Rossmere Park.
- Investment in CCTV in our parks and identified barrier and roundabout improvements will commence shortly. We have also invested £914k into our cycle ways.

#### Tees Valley Investment Plan 2019/2029

- The TVCA has created an Investment Fund bringing together funding for devolved powers to be used to deliver a 30 year programme of transformational investment in the region. The recently adopted TVCA Investment Plan sets out our ambition strategy for the period 2019 – 2029.
  - Activity is focused on economic growth and is prioritised across six growth generating themes
  - Transport
  - Education, Employment and skills
  - Business growth
  - Culture and Tourism
  - Research, development and Innovation
  - Place – Indigenous growth programme
- The Indigenous growth programme is for investment in activity that will have a local economic impact and make a significant contribution to economic growth.
- As part of the TVCA Investment plan Hartlepool Council secured a further £42M, which will support the continued redevelopment of the town and includes the following major projects, of which
  - £20m is allocated towards the Hartlepool Waterfront which will also see the collapse of the Jacksons Landing loan into a grant establishing this asset was secured by the Council through inward investment and not Council revenue or capital monies;

- £4m towards the delivery of the ISQ2 Film and Television Studios
- £8m towards the Western Growth Corridor;
- £10m for Indigenous growth, £2m a year over 5 years.

The Chair of the Joint Meeting wished to record his thanks to all the officers that had been involved in drawing together the investment programme reported and those delivering the schemes already under way. The Chair also recorded his thanks to the Chair of the Finance and Policy Committee who had secured, through his role on the TVCA Cabinet, an exceptional deal for Hartlepool. These sentiments were echoed by other Members who commented that the investment programme and particularly the TVCA investment showed that Hartlepool was punching above its weight. The rolling over of the loan for Jackson's Landing into a grant was a great achievement.

A Member commented that while all these investment schemes were excellent news for Hartlepool it was sad to know that many outside the Council would simply 'rubbish' such positive news which was extremely hard on the officers who had worked so hard to deliver this programme.

The Chair of the Finance and Policy Committee also recorded his thanks to the officers that had supported him behind the scenes in gaining such a positive outcome from the TVCA Investment Programme. This would be the largest ever investment programme in the town led by the Council. This had all started with purchase of the Jackson's Landing building and the Council had not had to pay back a single penny of the original loan and the land had actually been an income earner through the Waterfront Festival.

The Chair of the Finance and Policy Committee stated that after recent meeting with the National Museum of the Royal Navy, it had been agreed that they and the Council would develop a joint facility on the waterfront rather than two separate developments. Their idea of having a STEM Centre (Science, Technology, Engineering and Mathematics) together with our development will mean the funding will stretch further and Hartlepool will gain a new centre of excellence.

The Chair of the Finance and Policy Committee considered that bringing all this investment together into one report showed what had already been achieved and the ambition for the future of Hartlepool and clearly demonstrated to those who would wish to continually knock the Council, that they were wrong and the Council was delivering real investment in neighbourhoods, the economy and creating jobs for the future.

The Chair of the Finance and Policy Committee proposed that alongside the recommendations set out in the report, that Council be requested to support the early implementation of the events space proposals on the site of the former Jackson's Landing on the waterfront and that the Regeneration Services Committee look at potential schemes for the indigenous growth money early in the new Municipal Year. This was

seconded by the Chair.

In the ensuing debate Members welcomed various aspects of the investment proposals outlined in the report and there were comments around ensuring as greater opportunity as possible for local firms to undertake as much work as possible and to create as much local employment as possible. The Chief Executive stated that as far as possible this was done and that a tracking system of the money we spend was being developed to ensure as much as possible came into the local economy. In terms of creating as much local employment as possible, the Chief Executive stated that this was one of the principle reasons behind the Council's support for the Civic Engineering Academy proposal from Seymour's.

A member of the public questioned why the Council was funding the Western Growth Corridor scheme and not Highways England. The Assistant Director stated that the Western Growth Corridor scheme was a local road network scheme that would link in the Highways England network though a new grade separated junction on the A19. This route would provide a new access/egress point for the town and would be fully funded through the grant monies already obtained and developer contributions from the housing schemes on the western edge of the town that the new road network would facilitate.

The debate and comments reflected on the significant external work that the Council's Engineering Unit had undertaken on flood defence schemes not only in Hartlepool but along the north east coast. The growth in housing in the town was highlighted as a major beneficial factor with growth in Hartlepool being the highest in the Tees Valley bringing in both new council tax income and over £12m of New Homes Bonus from central government to date.

Members also discussed some of the issues around the redevelopment of Church Square and Church Street and the Chief Executive stated that work was still ongoing to resolve some of the issues outstanding. The overspend reported on the scheme £170k had been met by the TVCA and had been due to totally unforeseen circumstances and outside the scope of the works contract.

The Chair of the Finance and Policy Committee indicated that what was reported did not conclude the ambition for Hartlepool. In conjunction with the National Museum of the Royal Navy funding opportunities were being explored to open the second platform at Hartlepool Railway Station. Other funding schemes such as the High Street Fund were continually being explored; this was by no means the end point and nothing would dampen our ambitions for Hartlepool.

In concluding the debate, the Chair thanked the officers for the report and Members for their support in delivering this fantastic opportunity for Hartlepool. The Chair also reminded Members of the forthcoming 'Love

Hartlepool' event on 14 March 2019.

### **Decision**

1. That the investment previously secured by the Council of £160m as reported be noted.
2. That Council notes the £42m for funding from secured Tees Valley Combined Authority to continue the delivery of our ambitions regarding the Waterfront, ISQ and the westward expansion of the Borough;
3. That Council approval be sought to add the £42m Tees Valley Combined Authority funding to the capital programme and to delegate authority to Regeneration Services Committee to approve individual business cases within the approved Tees Valley Combined Authority funding envelope.
4. That the Regeneration Services Committee be authorised to consider and bring forward schemes to utilise the Tees Valley Combined Authority indigenous Growth Funding at the earliest opportunity.
5. That Council be requested to support the early implementation of the events space proposals on site of the former Jackson's Landing on the waterfront as part of the Hartlepool Waterfront proposals being funded by the Tees Valley Combined Authority Investment Programme

The meeting concluded at 12.30 pm

**H MARTIN**

**CHIEF SOLICITOR**

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