

ECONOMIC GROWTH AND REGENERATION COMMITTEE AGENDA



Tuesday 22nd March 2022

at 10.00 am

**in the Council Chamber,
at the Civic Centre, Hartlepool.**

A limited number of members of the public will be able to attend the meeting with spaces being available on a first come, first served basis. Those wishing to attend the meeting should phone (01429) 523568 or (01429) 523013 by midday on Monday 21 March and name and address details will be taken for NHS Test and Trace purposes.

You should not attend the meeting if you are required to self-isolate or are displaying any COVID-19 symptoms such as (a high temperature, new and persistent cough, or a loss of/change in sense of taste or smell), even if these symptoms are mild. If you, or anyone you live with, have one or more of these symptoms you should follow the NHS guidance on testing.

MEMBERS: ECONOMIC GROWTH AND REGENERATION SERVICES COMMITTEE

Councillors Brown, Clayton, Cook, Cowie, Hargreaves, Lindridge and Young

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

3.1 Minutes of the meeting held on 1 March 2022 (*previously circulated and published*).

4. BUDGET AND POLICY FRAMEWORK

No items.

CIVIC CENTRE EVACUATION AND ASSEMBLY PROCEDURE

In the event of a fire alarm or a bomb alarm, please leave by the nearest emergency exit as directed by Council Officers. A Fire Alarm is a continuous ringing. A Bomb Alarm is a continuous tone. The Assembly Point for everyone is Victory Square by the Cenotaph. If the meeting has to be evacuated, please proceed to the Assembly Point so that you can be safely accounted for.

5. KEY DECISIONS

No items.

6. OTHER ITEMS REQUIRING DECISION

No items

7. ITEM FOR INFORMATION

7.1 BIS - Update Report – *Assistant Director (Development and Growth)*

Date of next meeting –

To be confirmed



ECONOMIC GROWTH & REGENERATION SERVICES COMMITTEE



Report of: Assistant Director (Development & Growth)

Subject: BIS – Update Report

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 For information

2. PURPOSE OF REPORT

2.1 The purpose of this report is to provide an update on the progress of the BIS, Whitby Street, Hartlepool and proposals for future activities.

3. BACKGROUND

3.1 In 2015 Hartlepool's Regeneration Masterplan recognised that there was a lack of appropriate SME managed workspace in the town, particularly for the growing creative industries sector.

3.2 In 2016, as part of the Innovation and Skills Quarter (ISQ) Regeneration programme a Business Case for an ISQ Managed Workspace Building Acquisition was approved by Joint Finance & Policy Committee and Regeneration Services Committee.

3.3 It was also agreed to commit £95,000 of corporate funding to cover the income deficit for the first two years of operation of the BIS. The BIS would look to break even in year 3 of the agreed business case.

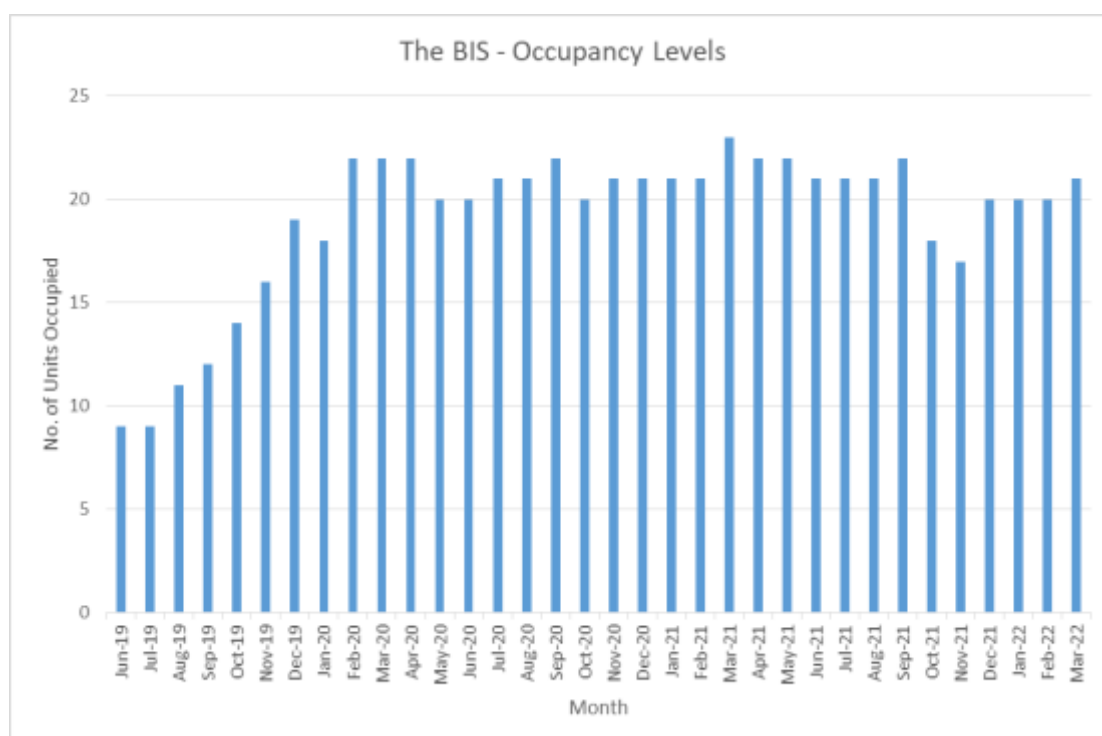
3.4 The purchase and subsequent renovation of the former General Post Office (GPO) building on Whitby Street into 28 workspace units for start-up businesses was funded through Local Growth Funding via the Tees Valley Local Enterprise Partnership (LEP).

4. CURRENT POSITION

4.1 After the programme of construction the BIS formally opened in May 2019 and has been operational for almost 3 years. The facility provides a variety

of office, workshop and studio space for businesses within the creative industries sector.

- 4.2 The building has 28 units with flexible tenancy arrangements and stepped rental terms to help new start enterprises.
- 4.3 The facility is managed by the Council's Economic Growth Team who also manage the Hartlepool Enterprise Centre and Newburn Bridge Industrial Estate.
- 4.4 The Economic Growth Team also provide business support services to all businesses in the BIS from business planning, identification of funding opportunities to business networking events. This takes the form of regular meetings and discussions with tenants and bringing in support from partner organisations as and when required.
- 4.5 The team also work closely with the Norther School of Art (NSoA) to hold events at the BIS such as the Festival of Illustration and Monkey Trail, as well as providing their undergraduates with tours of the facility and promoting self-employment as a career option.
- 4.6 Occupancy levels at the BIS have been fairly consistent over the past 2 years, as can be seen from the graph below, with 21 units currently occupied of the 28 available, a 75% occupancy rate.



- 4.7 When a business is ready to move on from the BIS the support from the Economic Growth Team continues and the relationship is maintained to assist the business as and when required.
- 4.8 An example of a business that started up in the BIS, established itself and then expanded into vacant premises in Church Square is Alan Teather Quilting.
- 4.9 The types of businesses in the BIS currently cover a range of creative areas including jewellery making, photography, filmmaking, web design, marketing consultancy and clothing design.

A full list of occupied units and business details can be found in **Appendix 1**.

- 4.10 Marketing and promotion of the BIS to potential tenants is currently managed in-house by the Economic Growth Team through the Invest in Hartlepool website, via social media using Facebook and Twitter, and press releases where appropriate, through the Councils Communications Team.
- 4.11 The BIS also hosts a range of events and business seminars which have included:
- Hartlepool Economic Regeneration & Tourism Forum (Jan 2020)
 - Start up event for creative businesses (September 2021)
 - Workshops for creative HCFE students in conjunction with Global Entrepreneurship Week (November 2021)
 - Grow Hartlepool (Dec 2021)
 - Exporting event with DIT (Nov 2021)
 - Doing Business with Hartlepool Council (Dec 2021)
- 4.12 The renovation of the former GPO listed building was a specialist construction project involving architects, project managers and specialist construction teams. This building renovation has been formally recognised within the region and nationally as a result of being nominated and winning various awards as follows:
- Winner of the Best Change of Use of an Existing Building category in the LABC (Local Authority Building Control) Northern Building Excellence Awards 2020.
 - Winner of the Heritage Award – RICS (Royal Institute of Chartered Surveyors) Social Impact Awards 2020, North East.
 - Winner of RTPI (Royal Town Planning Institute) North East Award for Planning Excellence 2020.
 - Winner of RTPI (Royal Town Planning Institute) National Award for Planning Excellence 2021.
 - Shortlisted in the RIBA (Royal Institute of British Architects) North East Awards 2021.

5. CHALLENGES

- 5.1 Within less than a year of officially opening, Covid-19 struck and the ongoing and planned activities of the BIS were put on hold during this period of lockdowns and uncertainty.
- 5.2 Although the businesses were impacted by the effects of Covid-19 and not being able to trade as usual, we were fortunate that we had very limited impact on occupancy and businesses ceasing to trade at the BIS.
- 5.3 Occupancy levels were at 20 units occupied of the 28 available and the businesses were supported with both the financial grants made available by the Government and local support from Hartlepool Council.
- 5.4 Also during this period, Hartlepool Council and in particular the Economic Growth Team were focussed firmly on getting as much support out to all businesses in Hartlepool to ensure their survival and avoid job losses.
- 5.5 As we emerge from the pandemic the Economic Growth Team can now progress planned activities such as identifying and making links with creative sector support organisations both locally and nationally and to look in detail at developing bespoke support activities for businesses in Hartlepool's wider creative industries sector.
- 5.7 Furthermore the profile of the BIS as a 'Centre for creativity' in Hartlepool will be developed with links to wider stakeholders and partners in the Town strengthened.

6.0 PLANNED ACTIVITIES

- 6.1 The following activities and interventions have been identified for the Economic Growth Team to develop and deliver moving forward.

Business Support

- 6.2 To develop a dedicated programme of **business support** for creative businesses.
- 6.3 Although the Economic Growth Team provide support to all businesses in Hartlepool it is identified that creative sector businesses require more bespoke and tailored support e.g. marketing and IP advice.
- 6.4 As well as the current business support organisations such as Tees Valley Business that provide generic business support there are organisations both regional and national that offer sector specific support to creative businesses.

- 6.5 Awareness and engagement with these creative organisations will be undertaken and where appropriate the services offered promoted to both BIS tenants and wider creative businesses in Hartlepool.

Business Events

- 6.6 To develop a programme of specific **business events** to be delivered at the BIS.
- 6.7 Whilst this is something that the Economic Growth Team already undertake it will be expanded to include guest speaker talks, training workshops, advice sessions, open days and open evenings, encouraging inter-business engagement and networking.

Links to Schools & Colleges

- 6.8 To develop more **links to local schools and colleges**.
- 6.9 Although there are already close links with both the NSoA and Hartlepool College of Further Education it is recognised that more needs to be done to include local schools and sixth form colleges.
- 6.10 The majority of activity will be focused around promoting self-employment in the creative sector but will also include awareness raising of self-employment as a career option for school and college leavers.
- 6.11 Activities to support this will include the use of open days for schools and colleges at the BIS as well as talks with existing creative business owners on their career journeys.

Hartlepool Cultural Strategy

- 6.12 To develop links to Hartlepool's **Cultural Strategy**.
- 6.13 The development of a Cultural Strategy for Hartlepool includes recognition of both the BIS as a facility for creative industries and also the important role of creative businesses in the town.
- 6.14 There are plans as part of the Cultural Strategy to develop and create a 'Cultural Platform' in Hartlepool inviting all key stakeholders across the education, community, the wider public sector and also creative businesses to work together to develop ideas and initiatives that benefit the town as a whole.
- 6.15 The Economic Growth Team will work closely with colleagues from Cultural Services to ensure that Council's approach to working with the creative business community is joined up.

Film Studios

- 6.15 To develop links to the **Film and TV Studios** project.
- 6.16 The development of the Film and TV Studios on the NSoA site will create many opportunities for Hartlepool and in particular the creative business sector.
- 6.17 Using the BIS and its links to both creative businesses and Northern Film & Media, who are based at the BIS delivering the Tees Valley Screen project, work is underway to develop a programme of initiatives and activities to establish clear supply chain opportunities and processes for local businesses to benefit from, linked to future film and TV productions.

7. OTHER CONSIDERATIONS

- 7.1 The BIS was expected to report a deficit in the first two years of operation, as it transitioned to full occupancy of rental units and businesses benefitted from discounted introductory rents. This was reported to the Finance & Policy Committee in 2016 and £95,000 of departmental reserves were set aside to meet the shortfall in the first two years. As shown in the table below the use of the reserve has been extended by a year as a result of Covid-19.

Financial year	Forecast Surplus/(Deficit) £	Actual/Revised Forecast Surplus/(Deficit) £
2019/20	(65,000)	(65,000)
2020/21	(30,000)	0
2021/22	0	(30,000)
2022/23	0	0
2023/24	0	10,000

- 7.2 The actual 2020/21 financial outturn was a deficit of £65,000 as a result of Covid rental income losses. The shortfall in this year was met from Government grant funding for income losses.
- 7.3 The forecast for the current year 2021/22 is a deficit of £30,000 and this will be funded from the remaining reserve. The outturn for the current year reflects the continuing economic impact of Covid.
- 7.4 The BIS is expected to break-even next year, now that businesses are moving up the stepped rental scales and is expected to make an operational surplus of £10,000 in 2023/24. It is recommended that the surplus is earmarked to meet future repairs and maintenance at the centre to ensure the facility remains attractive to new businesses.

Staff considerations	No relevant issues
Legal Considerations	No relevant issues
Consultation	No relevant issues
Child/Family Poverty Considerations	No relevant issues
Equality and Diversity Considerations	No relevant issues
Section 17 of The Crime And Disorder Act 1998 Considerations	No relevant issues
Asset Management Considerations	No relevant issues

8. **RECOMMENDATIONS**

- 8.1 To note the progress of the BIS since its inception and the outlined proposals for future activities and interventions by the Economic Growth Team.

9. **BACKGROUND PAPERS**

- 9.1 Development of the Managed Workspace for the Creative Industries Sector (13-17 Whitby Street) - 09 09 16

10. **APPENDIX 1**

List of occupied units and business details.

APPENDIX 2

Poverty Impact Assessment Form

APPENDIX 3

Equality and Diversity Impact Assessment Form

11. **CONTACT OFFICER**

Beverley Bearne
Assistant Director- Development and Growth
Civic Centre
Hartlepool Borough Council
TS24 8AY

Tel: (01429) 523002
E-mail: beverley.bearne@hartlepool.gov.uk

AUTHOR OF REPORT

Israr Hussain
Economic Growth Manager
Hartlepool Enterprise Centre
TS24 8EY

Tel: (01429) 857084
E-mail: Israr.hussain@hartlepool.gov.uk

Sign Off:-

- Director of Finance and Policy ☐
- Chief Solicitor/Monitoring Officer ☐
- Chief Executive ☐ Finance & Policy Committee only

LIST OF OCCUPIED UNITS AND BUSINESS DETAILS APPENDIX 1

Unit	Business	Company Description
1	In Studio	Design, digital and website development company.
2	Creative Enterprise – The PFC Trust	A charity funded project supporting students from Hartlepool College of FE with creative enterprise skills and professional practice.
4	Garage 29 Graphics	Supplies bespoke graphic design and printing of customized graphic kits for manufacturers and suppliers of components.
6	GiftStop	Personalised gifting company for all occasions.
7 and 28	Heyllo Ltd	A marketing and consultant agency, offering advice on rebranding, brand image and supporting their growth through brand marketing
8	BloominArt	Delivering creative arts projects within the community.
9	Do Creative	Design company offering products and workshops teaching mixed media skills and the use of powertex.
11	Mags & Ags	Designs and creates personalised, bespoke handmade products.
13	Raw35 CIC	Photography workshop, studio and gallery.
14	Karelnn	Develop and design of digital services and platform for care homes to assist in providing the highest quality care to their residents.
15	Tees Valley Screen	Creative industry development agency, working with businesses specialising in TV & Film and screen based arts.
17	Potency	Potency uses trend analysis and website monitoring to provide fashion products to consumers across the world.
18	Paper and Ink	A graphic designer and illustrator who applies designs and personalisation to a range of products e.g. mugs, coasters, art prints.
19	Mangata	Design and production of home interior accessories.
20	The Little Silver Kiln	Design and assembly of handcrafted jewellery and delivery of jewellery and ceramic workshops.
21 and 24	Evolution XR	Virtual and augmented reality software and product development.
23	Tanglewood Games	Games developer- providing games development services to companies in the same sector.
26	Natalie Michelle	Online based ladies dressmaking business.
27	Maxy Bianco (Daft as Rags)	Independent local filmmaker.

POVERTY IMPACT ASSESSMENT FORM

APPENDIX 2

1. Is this decision a Budget & Policy Framework or Key Decision? NO				
If YES please answer question 2 below				
2. Will there be an impact of the decision requested in respect of Child and Family Poverty? YES				
If YES please complete the matrix below				
GROUP	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Young working people aged 18 - 21	X			Self employment opportunities
Those who are disabled or suffer from illness / mental illness			X	
Those with low educational attainment	X			Self employment opportunities
Those who are unemployed	X			Self employment opportunities
Those who are underemployed	X			Self employment opportunities
Children born into families in poverty			X	
Those who find difficulty in managing their finances			X	
Lone parents			X	
Those from minority ethnic backgrounds	X			Self employment opportunities
Poverty is measured in different ways. Will the policy / decision have an impact on child and family poverty and in what way?				
Poverty Measure (examples of poverty measures appended overleaf)	POSITIVE IMPACT	NEGATIVE IMPACT	NO IMPACT	REASON & EVIDENCE
Overall employment rate	X			Self employment opportunities
Proportion of young people who are NEET	X			Self employment opportunities
Number of affordable homes built			X	

Overall impact of Policy / Decision				
NO IMPACT / NO CHANGE		ADJUST / CHANGE POLICY / SERVICE		
ADVERSE IMPACT BUT CONTINUE		STOP / REMOVE POLICY / SERVICE		
Examples of Indicators that impact of Child and Family Poverty.				
Economic				
Children in Low Income Families (%)				
Children in Working Households (%)				
Overall employment rate (%)				
Proportion of young people who are NEET				
Adults with Learning difficulties in employment				
Education				
Free School meals attainment gap (key stage 2 and key stage 4)				
Gap in progression to higher education FSM / Non FSM				
Achievement gap between disadvantaged pupils and all pupils (key stage 2 and key stage 4)				
Housing				
Average time taken to process Housing Benefit / Council tax benefit claims				
Number of affordable homes built				
Health				
Prevalence of underweight children in reception year				
Prevalence of obese children in reception year				
Prevalence of underweight children in year 6				
Prevalence of obese children in reception year 6				
Life expectancy				

EQUALITY AND DIVERSITY IMPACT ASSESSMENT FORM

APPENDIX 3

Department	Division	Section	Owner/Officer
Economic Growth			
Service, policy, practice being reviewed/changed or planned			
Why are you making the change?			
How might this impact (positively/negatively) on people who share protected characteristics?			
	<i>Please tick</i>	POSITIVELY	NEGATIVELY
Age		✓	✗
Please describe...			
Disability			
Please describe...			
Gender Re-assignment			
Please describe...			
Race			
Please describe...			
Religion			
Please describe...			
Gender			
Please describe...			
Sexual Orientation			
Please describe...			
Marriage & Civil Partnership			

<i>Please describe...</i>			
Pregnancy & Maternity			
<i>Please describe...</i>			
Has there been consultation /is consultation planned with people who will be affected by this policy? How has this affected your decision making?			
As a result of your decision how can you mitigate negative/maximise positive outcomes and foster good relationships?			
Describe how you will address and monitor the impact		1. No Impact - No Major Change <i>Please Detail</i>	
		2. Adjust/Change Policy <i>Please Detail</i>	
		3. Adverse Impact but Continue as is <i>Please Detail</i>	
		4. Stop/Remove Policy/Proposal <i>Please Detail</i>	
Initial Assessment	<i>00/00/00</i>	Reviewed	<i>00/00/00</i>
Completed	<i>00/00/00</i>	Published	<i>00/00/00</i>