

# Draft Economic Strategy for Darlington 2012 – 2026

## Appendix 1



# The right place

**D**arlington is a Borough built on a rich tradition of technical and entrepreneurial innovation - from its key role with the birth of the railways through to its globally renowned reputation for bridge building and structural engineering.

Beautifully situated to the West of the Tees Valley and close to North Yorkshire and County Durham the Borough offers a high quality of life to its residents. As well as being an outstanding location for business and enterprise, Darlington is also the primary retail, leisure and cultural centre serving the local population as well as parts of North Yorkshire and County Durham. Darlington is also a strategic public transport interchange and provides key links into the national transport network through its location on the A1(M) and East Coast Main Line and the international network through Durham Tees Valley Airport.

There is, however, recognition that the Borough needs to improve how it is perceived at a local, regional and national level, to not only increase awareness of its offer, but to also improve its image and reputation as a place to do business, invest, live, work or visit.

In essence, Darlington needs to develop a new approach to promoting and marketing its offer which complements and adds value to 'Tees Valley' marketing activity, which captures the unique history and heritage of yesterday's Darlington along with the world class technological and innovative capabilities of today's competitive, modern business location.

To address this issue we aim to:

<b>Action 1</b>	Develop a new approach to promoting Darlington to businesses, investors and visitors within and beyond the UK, building on key themes, including our international rail heritage
<b>Action 2</b>	Develop and promote the cultural, leisure, retail and housing offer within the Borough to support economic growth

## Objectives to be achieved

- Raise the profile of the Borough throughout the, region, UK and the world.
- Reduce migration to other employment, retail, leisure or cultural centres.
- Increase footfall within the Borough.



## Place Action 1

Develop a new approach to promoting Darlington to businesses, investors and visitors within and beyond the UK, building on key themes including our international rail heritage

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Develop a “promotion and engagement plan” to promote the Borough to a wide variety of stakeholders in a structured and targeted way	Business Engagement Team	TVU, NECC, UKTI, regional and national sector bodies	August 2012
Develop a portfolio of “Business Ambassadors” for the Borough (key businesses, famous Darlingtonians etc)	Business Engagement Team	Private sector businesses, Darlington Partnership, MPs, TVU, Teesside University	November 2012
Develop a promotional tool-kit (marketing literature/strap-line) aimed at a variety of audiences (business and pleasure)	Business Engagement Team	TVU, BID Team, regional sector bodies, private sector businesses, Teesside University, Darlington Business Club, NECC	Summer 2012

## Place Action 2

Develop and promote the cultural, leisure, retail and housing offer within the Borough to support economic growth

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Through the priority actions of Creative Darlington	Creative Darlington	DBC	
Through the priority actions of Distinctive Darlington	Distinctive Darlington	Business Engagement Team	
Development of key town centre sites (Feethams/Beaumont Street, Commercial Street etc)	DBC Economic Regeneration	HCA, BID, Town Centre Board, LSP Partnership, TVU, DBC	
Through the priority actions of the adopted Housing Strategy 2012 - 2017	DBC Programmes & Projects	Housing Services Group, HCA, RSL, TVU, DBC Communications	2017

# The right people

Darlington is nationally recognised for its “outstanding” further education and training provision and the skills<sup>1</sup> profile of Darlington’s residents bears testament to this by out-performing both the sub-regional and national averages. Work-based learning<sup>2</sup> is stronger than the national average and Darlington has good success rates in advanced apprenticeships.

There is, however, a growing recognition that whilst the quality of education provision within Darlington is very good, there appears to be a “mismatch” between local employment opportunities and further education/training undertaken. In particular there is concern that:

- there is a lack of awareness amongst young people, parents and teachers regarding employment opportunities available within the locality;
- there is a need to create stronger relationships between business and education providers.

Additionally, local businesses indicate that young people leaving schools, college and university are inadequately prepared for work in terms of “Aptitude, Attitude and Attendance”, along with low levels of competency in key skills such as numeracy, literacy and communication. Even in “good economic times” young people find it hard to get a foothold in the labour market, with strong evidence that graduates leave Tees Valley as a whole to access “good jobs”, but this is further compounded in tougher economic climates and has led to rising levels of young people<sup>3</sup> not in education, employment or training (NEET) within the Borough.

<sup>1</sup> NVQ levels 2- 4

<sup>2</sup> Work based learning means learning while a person is employed.

<sup>3</sup> 16 – 24 year olds

The key challenges for business in difficult economic times are to:

- develop a more entrepreneurial culture;
- develop a stronger and more dynamic business base;
- increase levels of business productivity.

These challenges are heavily dependent on improving the local skills base and in particular increasing the proportion of higher value added businesses.

This will only be achieved by targeting people who are currently economically inactive and by ensuring that an increasing number of young people leaving education (at all levels) are equipped to make a full contribution to a globally competitive economy.

To address these issues we aim to:

<b>Action 1</b>	Improve the skills of the labour force (current and future) to ensure that they match the needs of existing and potential employers
<b>Action 2</b>	Retain talent in the local labour market

## Objectives to be achieved

Close gap between skills needs and skills availability.

Reduce levels of worklessness/young people not in education, employment and training.

Skilled local workforce able to meet business needs.

Reduce levels of JSA claimants.

## People Action 1

Improve the skills of the labour force (current and future) to ensure that they match the needs of existing and potential employers

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Delivery of Foundation for Jobs initiative	Foundation for Jobs	DBC, TVU, Northern Echo, local businesses, universities, colleges, schools, voluntary sector	Ongoing to 2014
Utilise existing groups of cross-sectoral employers' forums to discuss skills issues	TVU	Teesside University, Foundation for Jobs, Business Engagement Team	
Support the development of high quality Science, Technology, Engineering and Mathematics provision and promote participation by young people in these subjects	RTC North	Foundation for Jobs	Ongoing
Better integration between business and industry bodies into careers events (raising awareness of local opportunities for students)	Foundation for Jobs	TVU (Employment & Learning Skills Group), 11-19 Partnership, RTC North, NEPIC, Teesside University	Ongoing
Work with education/training providers to develop clear progression routes (qualifications linked to employment opportunities)	11 – 19 Partnership	Foundation for Jobs, TVU, Teesside University	Ongoing
Work to facilitate future job opportunities with Darlington residents (all ages)	Employability Providers' Network	Business Engagement Team	Ongoing

## People Action 2

Retain talent in the local labour market

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Undertake research with local education providers to better understand why young people do not see Darlington as an attractive place to work, live or socialise	Teesside University	TVU, Foundation for Jobs, DBC	November 2012
Take forward any actions arising out of the above action	Teesside University	TVU, Foundation for Jobs, DBC	
Encouraging Engineering Scheme	Business Engagement Team	BAT Panel, Cummins Engines, Deep Ocean Group. Mech-tool Engineering Limited, Henry Williams Limited and Darlington, Carmel and Queen Elizabeth Colleges	

# The right infrastructure

Darlington's economy can only grow with the right infrastructure powering it. When businesses come to make investment decisions, the reliability, cost and quality of infrastructure - from roads and airports to energy supply and broadband networks - are major considerations.

Darlington has already delivered an impressive portfolio of investment projects, aimed at supporting and complementing the economic aspirations of the Borough, for example:

- Eastern Transport Corridor;
- Pedestrian Heart;
- Morton Park and Morton Palms;
- Housing Development at West Park.

Darlington has a number of sites that are being actively promoted for employment development eg Morton Palms, Faverdale, Lingfield, and Central Park. Whilst some of these sites have infrastructure in place, others do not, and despite being promoted for many years have seen no investment and are unlikely to do so, unless specific infrastructure constraints can be addressed, potentially through new forms of public/private partnership. There are a number of quite specific infrastructure issues which require resolution, for example:

- electricity capacity in Albert Hill (which is a key location for advanced engineering/construction businesses in Darlington);
- parking at Morton Palms;
- lack of fully- serviced sites;
- variable levels of broadband provision across the Borough.

Such issues can only be resolved by better understanding the constraints within existing provision and then by working with utilities companies, developers and industry to ensure the infrastructure of the Borough complements and supports economic growth rather than limits it.

To address these issues we aim to:

<b>Action 1</b>	Fix immediate issues that prevent economic growth
<b>Action 2</b>	Influence investment decisions to support the economic development of Darlington

## Objectives to be achieved

Support business and employment growth.

Support key sectors (existing and emerging) for growth.

Darlington remains a viable and competitive location for business.

## Infrastructure Action 1

### Fix immediate issues that prevent economic growth

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Prepare a Digital Strategy and Action Plan to address current and future needs	Transport, Housing & Economic Policy	Utilities providers, TVU, DBC	April 2013
Bring forward schemes to address capacity issues on the transport network	Programmes & Projects	TVU, Highways Agency	March 2013
Audit of current and future energy needs	Planning Policy	Utilities providers, TVU,	Ongoing
Audit of existing employment sites to identify constraints to development	Transport, Housing & Economic Policy	Landlords/owners, property developers, local agents, TVU, sector organisations	November 2013

## Infrastructure Action 2

### Influence investment decisions to support the economic development of Darlington

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Use evidence bases developed in Action 1 to influence the LEP, Government, funding bodies and delivery partners to support the economic development of the Borough	Programmes & Projects	TVU	November 2013 onwards

# The right business conditions

Darlington's business base is characterised by a small number of large businesses (including Everything Everywhere, the Student Loans Company and Cummins) and a large number of small businesses, with comparatively low levels of employment in high-growth<sup>4</sup> sectors. Darlington's economy is now driven by the service sector and where once manufacturing/engineering was the pre-eminent employer, today's Darlington is structured around employment opportunities and economic output generated through public administration, education, health and other services, such as distribution, transport and communications.

Between 2003 and 2008 Darlington achieved 4% private sector growth<sup>5</sup>, compared with a -4% private sector decline in the Tees Valley as a whole. This growth was achieved by increases in firms involved in the manufacturing of transport equipment, financial services, computing, construction and other service activities. This demonstrates that Darlington should not just focus on emerging sectors with growth potential but also continue to support existing businesses already based in the Borough, operating in unfavourable conditions.

Despite this growth, particular challenges for businesses include:

- changes to business support provision (demise of Business Link);
- access to finance;

<sup>4</sup> Defined by Government as: Knowledge Intensive Industries (ICT, digital & Creative Media, high value manufacturing, Professional & Financial Services); Growth sectors (environmental, renewable. life sciences and food and drink)

<sup>5</sup> England average 5%

- Government policy (and financial support) is primarily directed to high-growth or technologically innovative businesses;
- access to appropriate business premises;
- access to new markets and supply chain opportunities.

In 2010 Darlington had the highest number of active enterprises per capita in the Tees Valley; whilst the rate of new business formation compares very favourably with the Tees Valley and North East. Business failure rates are comparatively high and almost 40% of new start businesses within the Borough will fail by their third birthday.

To support the needs of businesses within Darlington we aim to:

<b>Action 1</b>	Support the development of supply chain opportunities to both the public and private sector
<b>Action 2</b>	Develop sector action plans to maximise existing and future economic opportunities
<b>Action 3</b>	Work to develop a strong business support offer in Darlington that caters for the needs of all businesses (existing, newly-formed and prospective start-ups) - identifying gaps in provision and working with others to fill them
<b>Action 4</b>	Have an appropriate range of new start and grow-on property available throughout Darlington

## Objectives to be achieved

Retain growth businesses in Darlington.

Attract new businesses to Darlington.

Align business support more closely to business needs.

% decrease in business failure rates by 3<sup>rd</sup> birthday.

% increase in GVA per filled job and high growth businesses in the Borough.

More opportunities for local businesses to tender for local opportunities.



## Business conditions Action 1

Support the development of supply chain opportunities to both the public and private sector

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Develop a programme of industry, sector and generic Meet the Buyer events	TVU	DBC, NEPIC and other industry bodies	Ongoing
Develop a programme of Public Procurement road-shows	Business Engagement Team and Corporate Procurement Team	NEPO	Ongoing
Development of “case studies” (businesses already successfully involved in original equipment manufacturers or Public Sector supply chains) and promotion via webcasts linked to Darlington Partnership/DBC websites etc)	TVU	Darlington Partnership, DBC, TVU,	Ongoing

## Business conditions Action 2

Develop sector action plans to maximise existing and future economic opportunities

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Refine Tees Valley Unlimited Sector Action Plans (Advanced Engineering/ Tele-Health & Tele-Care/ Logistics/Digital Media) to fit with the sector opportunities in Darlington	Darlington Partnership	Sector Skills, Retail Skills Academy	
Support other business sectors (Retail/Financial & Business Services, Sub-Sea etc) to develop Sector Action Plans and signposting towards support/funding schemes etc	Darlington Partnership	DBC	

## Business conditions Action 3

Work to develop a strong business support offer in Darlington that caters for the needs of all businesses (existing, newly formed and prospective start ups) – identifying gaps in provision and working with others to fill them

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Establish an “Entrepreneurs Forum”/Knowledge Exchange	Teesside University	DBC	
Carry out research into Business Start-ups and Business Failure Rates across Darlington to understand reasons for high rates of ‘churn’ and to inform local business support policy	DBC/TVU		
Delivery of Darlington Cares Initiative	Business in the Community, Darlington Partnership, University of Teesside	Businesses, voluntary sector	
Map business support provision within/across Darlington to identify duplication/gaps	Business Engagement Team/TVU	Voluntary & Community Sector, NECC, Darlington Business Club, other public and private sector agencies/organisations	August 2012
Develop effective sign-posting function to ensure Darlington businesses are aware of opportunities/activity being delivered throughout the region/North East	Business Engagement Team		
Provide support to businesses within key economic centres in the Borough (eg Cockerton)	Business Enterprise Group	NECC, Business Club	Ongoing

## Business conditions Action 4

Have an appropriate range of new start and grow-on property available throughout Darlington

How will we do this?	Lead/Facilitator	Key Partner(s)	Date
Audit of property portfolio across Darlington (what and where)	Transport, Housing & Economic Policy	Local agents, property owners/ landlords/developers	November 2012
Development of a central resource on available property utilised by property agents operating across the Borough	DBC	Local agents, property owners/ landlords/developers	Ongoing
Promotion of resource to local businesses, partner organisations, local agents, landlords/developers/business support bodies	DBC	TVU, NECC, Darlington Business Forum, Darlington Partnership; voluntary & community sector, local businesses	Ongoing