
LEADER AND ECONOMY PORTFOLIO OVERVIEW

Financial Climate

1. Since my last report, there have been a number of significant developments for both the Borough and for the Council.
2. A special meeting of the Council's Cabinet was held on Wednesday, 28th July, 2010, at which changes to the Revenue and Capital Medium Term Financial Plans were approved, in direct response to announcements made by the Government that required the Council to make immediate cuts in planned spending. The proposals, amounting to £2.6 million of savings over for the remainder of the financial year, was the first phase of spending cuts and, following the completion of the Comprehensive Spending Review in October, it is expected that this Council will need to make further cuts of approximately £22 million, from the Council's annual budget of £107 million. In order to achieve these savings, my Cabinet colleagues and I are continuing to work, with the Corporate Management Team, on proposals to reduce the Council's spending over the next four years.
3. Following recent announcements about public spending, the Darlington Partnership met to sign an agreement which committed partners, including this Council, to a continued focus on priorities for the area, such as reducing crime, supporting business and giving young people a good start in life; working together when planning budgets to make sure every penny is well spent; and working together to make sure residents are informed about the changes happening to services. All parties signed up to the agreement with the aim of reducing the impact of the cuts on Darlington people. The Council has always worked closely with its partners to ensure we are providing the best value for money for residents. I am pleased that in difficult times, we are refreshing this commitment to work together for the benefit of the Borough.
4. 'Darlington Together' is an initiative that has been launched to get everyone working together in the public, private and voluntary sector to provide the community spirit and activity that will help the Borough thrive and grow, despite the inevitable cut backs. 'Darlington Together' aims to encourage everyone to work with each other with the aim of building on the strong sense of community that already exists and to protect and enhance what we have.

General Updates

5. In recognition of their strong links to the region and tremendous service, the Council recently agreed to confer the 'Freedom of the Borough' on The Rifles Regiment. The Freedom of the Borough is the highest civic distinction that can be conferred, in recognition of outstanding service or particular civic association. The Rifles held a number of 'Freedom Parades' throughout the North East of England, following the return of soldiers from four of the five Rifles battalions (supported by their TA soldiers), to the UK following operations abroad, including tours of Iraq and Afghanistan. The first was held in Darlington, on Wednesday, 8th September, 2010, which I, along with many others was honoured to attend. The event was well attended and gave the residents of Darlington the opportunity to show their appreciation to our soldiers, both serving and those that have lost their lives in service.

Economy

6. In response to the Government's call for Councils and local business communities to come together to establish new economic development partnerships, business leaders, regeneration bodies and the five Tees Valley Councils, have come together to establish a new economic development partnership. An outline business case for a Tees Valley Local Enterprise Partnership has been submitted by Tees Valley Unlimited (TVU) in order to help the area prosper. It is important that Darlington stays at the centre of Tees Valley collaboration. During the time we have been working as part of the Tees Valley, Darlington's economy has moved ahead faster than the regional and national economies. Tees Valley Unlimited's Local Enterprise Partnership proposal continues that long history of successful co-operation. The group of five boroughs, working together with local business leaders, forms a practical partnership which enables many of Darlington's economic issues to be addressed. We can continue to work closely with other neighbours on things of mutual benefit. but Tees Valley is the most natural, tried and tested partnership for Darlington's economy. A Tees Valley LEP would add further impetus to the economy of which Darlington is part.
7. Council officers and I have also been working jointly with the Association of North East Councils (ANEC) and with business leaders from the Northern Business Forum, to put together a proposal for a North East Strategic Economic Partnership, a small body which would help the economy of the area by carrying out a small number of functions which can best or only be done for the North East as a whole. It is entirely complementary to the Tees Valley Local Enterprise Partnership proposal and will ensure there is strong and collaborative working between Councils and business in ways which will make a difference to our economy.
8. I have attended various meetings of the Tees Valley Unlimited Leadership Board and with the Association of North East Councils to take forward these proposals.
9. The Council has made a commitment to increase the number of apprentices it employs in a bid to encourage more employers in the town to think about apprenticeships. Apprenticeships provide an opportunity to support the local community by providing people with the chance to train and learn new skills in employment, as well as helping the

organisation employ and train future employees.

10. I met with Mike Morton the new Airport Director at Durham Tees Valley Airport who has taken over from Kerry Quinn in this role. We discussed the challenges ahead for the region during tough economic times.

Planning

11. The Local Planning Authority granted planning permission for a waste recycling and landfill facility on a site at Whessoe Road with tight conditions over the operation. This followed a long period of close working between residents, local ward members, the landowner and planning officers and has enabled the Council to gain planning control over a site that for a long time has been a source of significant environmental problems for local residents.

Town Centre

12. Best Bar None is an awards scheme launched to celebrate the best of Darlington's Independent Bars, Traditional Pubs and Clubs. The scheme aims to promote responsible management of licensed premises, provide a safe and secure environment for customers and help eliminate alcohol related crime. A shortlist of candidates will be determined by a steering group and the top three in each category will be presented 'blind' to a judging panel. The winners of each category will be announced at an awards ceremony taking place in November 2009. Although the Town Centre Manager has been the driving force for this scheme, the funding has been totally sourced by the Police and Star Radio.
13. The Summer Market Spectacular returned to Darlington on Thursday, 12th August to Sunday, 15th August, 2010, with more than 300 stalls from all over the world selling a wide variety of products, together with entertainment for all the family. The event was extremely well attended with retailers, such as Binns, stating that their takings had gone up by 11 per cent. The Town Centre Manager was present for all days and stated that on the Saturday the Town looked busier than any other time she had seen it.
14. Our business case to have a Retail Skills Academy in Darlington has been approved and will be operational, in the town centre, by the end of September. The Academy now has two venues to consider, the first being in a smaller space on the third floor of Binns and the second being on the second floor of the town centre Post Office building. The Academy will be a business support tool for all of the retailers in Darlington offering courses which will be funded as well as bespoke and the much publicised, Mary Portas courses. The Town Centre Manager is working closely with The Academy, and their working partners, Darlington College and Working Links, to ensure all sectors are covered. We are also ensuring accessibility to the academy for both daytime and evening delivery. The Academy will have a Board and a Steering Group made up with representation from all partners.
15. Working in partnership with vTv we have now created a 'My Darlington' training course. This course is aimed at raising the knowledge of anyone who works in customer service on what Darlington has to offer. The course will be delivered by vTv and Darlington College and will be integrated into the Skills Academy. 'My Darlington' is part of the 'My Tees Valley' initiative.

16. The Darlington Retail Awards have now been launched, whereby retailers and services with the town compete for eleven awards. This scheme has been funded by four partners, namely, the Council, Darlington Town Centre Traders Association, The Cornmill Shopping Centre and Newsquest. An awards ceremony is being held on Wednesday 15th December at a black tie/Ball event in the Dolphin Centre.
17. A Heritage Trail is being designed to cover the majority of the Town Centre in order to help increase footfall for all businesses. Leaflet guides and markers will help take participants around the town into areas that receive poor footfall. Businesses, the Heritage Society, Newsquest and the Library have all been engaged with to ensure that we have any interesting facts and information about their premises. Although there is a cost to this project, it will have long term benefits as the trail will actually be visible and walkable for many years to come and is an aid to keeping businesses in the public eye and therefore to help them prosper.

Business Engagement

18. Back in July 2009 the Borough Council and eVOLution (representing the 3rd and voluntary sectors) submitted a bid to secure funding from the Government's Future Jobs Fund on behalf of 13 Darlington organisations. This initiative aimed to address the problem of high levels of unemployment by creating new jobs for 18-24 year olds and older people living in unemployment 'hot spots'. The Fund sought to create 150,000 new jobs nationally, with a wage subsidy being offered to employers. The jobs themselves had to be a minimum of six months' duration, for at least 25 hours a week and paid at least the National Minimum Wage. The first Darlington bid was successful and secured funding enabling 50 individuals the opportunity of new jobs, in a wide variety of organisations across the town.

Job starts for the first jobs funded through the scheme began in November on a phased basis through to April 2010. Accordingly, the last few people placed in employment under this scheme are now coming up towards their six-month anniversaries (October) - some of whom will be seeking alternative employment, if their host employers have not been able to develop a business case or secure funding to retain them.

The scheme is running well and of the 14 leavers to date (their six-month fixed term contracts having come to an end), seven have secured further employment and three have moved back on to benefits. The remaining four are presently being tracked.

A second bid submitted to the Future Jobs Fund secured monies to create a further 46 jobs and to date six vacancies have been filled, with another ten individuals receiving job offers, pending satisfactory CRB checks, prior to starting. As members will know, the Coalition government has now stopped further rounds of the Future Jobs Fund.

19. The Darlington Employment Handbook has recently been developed and made available in printed and electronic format. Whether individual residents (family members, friends or acquaintances) are just stepping into work for the first time, returning to work or moving from one job to another the Handbook is an invaluable resource and has been designed to provide handy hints and tips to assist Darlington residents find their first job, return to work or move from one job to another. This document provides guidance on how to write a CV; advice on job search and interview techniques; and covers what to expect (and what may be expected of the new employee) on the first day in a new job. The Handbook also provides information on those organisations and programmes within Darlington which can provide assistance and offer advice and guidance when looking for employment or where to find training.
20. Nicola Coombe commenced working as the Tees Valley In-Work Project Support Officer on 9 August on a fixed term contract until 31 March 2011. The aim of the project is to raise awareness of the full range of services available to both employers and employees in order to keep their workforce fit, healthy and able to continue in work. Key objectives include:
- (a) supporting employers to deal with social / health issues which put employees at risk of leaving employment, and
 - (b) signposting employers and employees to appropriate support organisations

Five Project Officers will work across the Tees Valley area funded through One NorthEast and Tees Valley Unlimited to offer advice and support to SMEs, with particular focus on those businesses that don't have designated HR services. This confidential support will look at the following:

Support for Employers:

Offering employers support through advice and guidance, and identifying relevant organisations to support their employees. Promotion of wider policies, such as Health and Well Being at Work, and other health awareness benefits, such as smoking cessation, healthy eating, mental health, first aid, etc., to improve the health and productivity of the whole workforce.

Support for Employees:

To help employees address social / health issues such as sickness, stress at work, care or child-care problems, housing, debt, alcohol or drug issues. In some cases support could simply involve referral to other organisations, e.g. debt counselling. Providing the advice and mentoring service needed for employees of small companies who have little or no HR support.

Flexible Retention Fund:

To support individuals who find themselves with an imminent problem that could stop them from continuing in employment, by providing a short-term solution until something more sustainable can be sourced, e.g. childcare problems, lack of tools / work clothes. The fund can also be used to compensate individuals who require time off but would not be paid by their employer, e.g. to attend counselling / treatment sessions.

21. The Business Engagement Team has been making proactive calls on businesses across the Borough to identify new businesses and update our records in respect of business closures. Having completed this exercise, as at 17 August there were 2,882 registered businesses in the online Darlington Business Directory. Note this is a net reduction of 140 businesses prior to the exercise commencing. There are a variety of reasons why these businesses have ceased trading, including: retirement; businesses being bought out by competitors; businesses relocating out of the area; decisions by the Principals to seek paid employment, rather than self-employment; plus the inevitable ceasing to trade as a consequence of the recent recession. At the start of the distribution exercise the team were only able to communicate with approximately 30 per cent of Darlington businesses via email – they now have over 60 per cent of business email addresses, which will significantly reduce our costs (for example, this development has meant the Inter-Face business newsletter is now electronic only, saving print and postage costs).

John Williams
Leader and Economy Portfolio