
LEADER'S AND ECONOMY PORTFOLIO OVERVIEW

1. Since my last report, there have been a number of significant developments for both the town and for the Council.
2. The crisis affecting the global banking system in recent months has impacted on all levels of governance, civil and economic life in this country and abroad which has in turn prompted a severe economic downturn. As a result of this, this Council is facing the most challenging set of economic circumstances in over a decade in terms of its own financial health but also the likely impact on our citizens and the local economy. In order to respond to these challenging circumstances the Council is working with its partners to provide support to residents and local businesses in order to protect Darlington, as far as possible, from the worst impacts of the recession.
3. The Executive of the Darlington Partnership, which I chair, has agreed to review the draft delivery plans drawn up to deliver One Darlington Perfectly Placed and the Local Area Agreement (LAA) targets in the light of changing circumstances. It is acknowledged that there may be a need to review the pace of change, particularly in the area of housing and economic development, but also a need to assure ourselves that plans within the Aspiring, Healthy and Safer themes are sufficiently focussed on supporting vulnerable communities in these difficult times. There is a risk that existing gaps in opportunity and well being could widen as jobs are lost in the Borough. These discussions will draw upon work done on the Corporate Plan within the Council.
4. I am also involved in discussions within the Tees Valley and at regional level on the recession to ensure that our action is coordinated with other authorities wherever possible.
5. In relation to the Darlington Partnership, work is developing to ensure effective arrangements for the scrutiny of its functions. Discussions with Scrutiny Chairs and with the Partnership Executive have brought forward proposals that I hope will add value to the delivery of One Darlington Perfectly Placed and partnership working in general. Our relationships with partners across the public, private and voluntary sector are very strong and I am sure that the involvement of Scrutiny will further strengthen these.
6. In the Pre-Budget Report, the government announced the opportunity for some pilot City Regions to take forward the type of proposals made by the Tees Valley in our Multi-Area Agreement. Tees Valley boroughs, through Tees Valley Unlimited, have therefore expressed interest in this.

7. The Council's proposed budget has been approved by Cabinet as a basis for consultation. The Council is facing a challenging budget due to an increased demand for services and the financial consequences of the economic downturn. It needs to deliver significant efficiency savings of £4.9m to ensure that key services are protected. The Council's plans and strategies remain in place and significant steps should be taken in the next financial year in delivering the aims of the Sustainable Community Strategy.

Economy Portfolio

8. In the light of the economic downturn priority is being given by the Economic Regeneration team to proactively engage with businesses, so that we can:
 - (a) respond to their particular needs where possible;
 - (b) signpost them to sources of assistance being made available through partner organisations such as Business Link; ONE NorthEast, the Learning & Skills Council and Jobcentre Plus, and
 - (c) learn about general issues affecting Darlington businesses, in order to inform our future delivery of business support.

Since 1 October 2008, over 2,000 businesses have been visited by the economic regeneration section. Since 1 October 2008, 70 referrals have been made on behalf of businesses to partner organisations and other Council departments.

9. A specific initiative that has recently been developed to help companies in the Borough beat the economic downturn is the compilation of an online Business Directory database which will feature more than 3,000 companies in the Borough - helping firms generate more business, network and find local suppliers relevant to their work.
10. In addition, the Council has recently produced a Business Information Guide which includes a contacts list, information on the Council's Vacant Sites and Premises Register, how it can help with workforce development, planning, environmental health and licensing, as well as what funding is available to help businesses. The Business Engagement Team has already hand-delivered this Guide to over 2,000 businesses and is now focussing on delivering copies of the Guide to the estimated 1,200 home-based businesses operating in Darlington. The Team chose to hand-deliver the Guides in order to engage in proactive dialogue with businesses, in order to be able to take any enquiries or deal with any concerns that businesses might have. To date, over 50 business enquiries have resulted as a direct consequence of this activity.

11. Following approval of the Local Development Framework Design of New Development Supplementary Planning Document (SPD) as a basis for carrying out public and other consultations, in line with regulatory requirements and the Council's commitments to community engagement, as set out in the adopted Statement of Community Involvement, consultation commenced on the document on 7th January, 2009. The aim of the draft SPD is to influence and significantly raise the standard of design to help create a high quality, distinctive, safe and sustainable built and natural environment for Darlington's residents and those who wish to visit or invest in the Borough.
12. In December the government announced that Tees Valley has been allocated £6.2m for 2009-11, in response to its Growth Point Programme of Development (PoD) as submitted to CLG in October 2008. This is the largest allocation amongst the five Growth Points in the North East. Over the next few months, decisions will be made on which of the projects listed in the PoD will benefit from the funding.

Town Centre

13. The Town Centre Management team have consulted with a wide, random selection of retailers about how they fared during December and how they are doing at the beginning of 2009. The feedback has been very mixed with more positive comments than negative. The majority of managers stated that December was better than they expected and that there was a slow start in January, which is normal. There were extremes with some managers/owners saying that it was the best December on record whilst others stated that their figures were extremely poor and their takings were half that of December 2007. From examining the comments made, the actual location of the shop does not appear to influence the impact of the recession so far, but the value of the products sold does. People do not appear to be spending money on large, expensive items but the smaller, unique items do seem to still be in demand. All in all Darlington retailers have performed above expectations for December but trade is slowing down in January and there is a general concern as to what 2009 will bring.

John Williams
Leader and Economy Portfolio