
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. The Government's Comprehensive Spending Review (CSR) was announced on Wednesday, 20th October, 2010. The Spending Review related to the national picture and we will not know the exact implications for Darlington until December when each Council receives details of its individual grant settlement. The Council's current financial projections assume we need to reduce our spending by £22M from an overall budget of £107M, over four years. I along with my Cabinet colleagues, are continuing to work with the Council's Corporate Management Team, to achieve those savings. It is a matter of concern that local government has taken such a large share of spending cuts with worrying information within the detail of the CSR. For example, the extra £1bn for social care is in fact to be a top-slice from core revenue rather than extra money.
3. Behind the headline 7.25% annual reductions in Government grant for four years, detail is now emerging that grant reductions next year are likely to be greater. The overall position for the next four years still appears to be broadly in line with assumptions we have made in developing plans for 2011 to 2015. The announcement of Government grants for each council, expected early December, will be critical to our financial and service plans.
4. Given the very large numbers of people whose jobs are at risk, I am pleased that members of Darlington Partnership are coming together to develop a comprehensive cross-public sector package of support to people facing redundancy. It is vital that we give care to people affected by the cuts. It is also vital that we continue to promote the advantages of Darlington as a place to invest and there is further detail later in my report.

General Updates

5. It was pleasing to note that, following the Local Government Ombudsman's annual review, the number of complaints made to the Council has fallen for the third year in row. The average response time to complaints has also fallen. The main reason for these improvements, is the formation of the dedicated Corporate Complaints Team which enables complaints to be dealt with quickly. The team also works to resolve complaints so that people are happy they have been listened to and do not feel the need to go to the Ombudsman to get action.

6. Darlington's floral expertise has been recognised regionally as the Borough scooped three gold medals, including the Best Small City trophy, at this year's Northumbria in Bloom. The other gold medal winners were the South Park, in the Best Park in Cities category, after being entered for the first time since its restoration five years ago, and ED Walker Homes, for Best Grounds of a Care Home. In addition to this, the Council's Street Scene team were praised by the inspectors for the replanting of areas, including roundabouts, with sustainable plants, and for working with community groups and schools on their displays.
7. The Local Government and Public Involvement in Health Act 2007 requires Members to agree a new form of political arrangements from 8th May, 2011. As part of those arrangements, consideration was given to a number of changes to the Council's Constitution which were considered by the Special Council meeting held before this meeting.
8. I was pleased to attend the Council's fifth annual Four Star Awards ceremony, on 7th October, 2010. The ceremony is held in order to recognise the hard work, effort and achievement of our employees. Amongst many worthy winners I was pleased to award Cliff Brown a Special Achievement Award for his many years of exceptional service.

Economy

9. An independent inspection report, undertaken by the Audit Committee, has shown that Darlington Council is providing good value for money services, directly contributing to an increase in the number of jobs and improvements to training and educational standards. The report stated that:-
 - (a) 'the Council has a clear strategy, with a strong evidence base, which it has pursued consistently for a number of years;
 - (b) the Council engages with and supports local businesses well, ensuring that all their needs are met and that Darlington is a good place to do business;
 - (c) the Council works well with partners to address the needs of disadvantaged residents; and
 - (d) outcomes are good from comparatively low spend, and the Council makes effective use of its resources.'

'The Council has put the needs of local people and business at the heart of the design and delivery of regeneration services....Both small and larger business agree that they are helped to expand their operations and find and develop their employees.' The findings are part of a wider Audit Commission report which looked at how the five Tees Valley Councils were working together to create jobs and secure the economic future of the area. The Council has the best rating amongst the Tees Valley Boroughs.

10. Tees Valley Unlimited (TVU) has received confirmation that it is one of 23 Local Enterprise Partnerships (LEPs).to be supported by Government. LEPs will see Councils and local businesses continue working together to help boost the local economy and help local areas prosper, leading to the creation of jobs by taking responsibility for planning, housing, local transport, infrastructure, enterprise and creating low carbon economies although there are no Government resources directly associated with LEPs.

11. Cabinet at its meeting held on 2nd November, 2010, supported, in principle, revisions to the 'The Oval' development, subject to planning permission being obtained. The original scheme was scheduled to start in 2008, but did not proceed as funding for the scheme, at that time, was not viable. The Council's preferred developer, Cobalt Estates (Darlington) Limited, has developed a remodeled scheme which is in line with the original brief but has reduced in size from 300,000 sq. ft. to 135,000 sq. ft. The bulk of this reduction is as a result of the leisure and restaurant elements being removed from the scheme.
12. Cabinet also gave in principle approval, and welcomed the interest from Lloyds Bank to construct its national data centre in Darlington. This development, if successfully undertaken, would put Darlington on the map in terms of high tech, and high specification data services. It would also open up further land, convenient to the A1 for employment uses. Darlington's reputation, both nationally and internationally, would also be enhanced by this prestige development.

Planning

13. Approval was given by Cabinet to the content of the Darlington Local Development Framework: Accommodating Growth Development Plan Document, Issues and Options Report, as a basis for carrying public and other consultations, in line with regulatory requirements and the Council's adopted Statement of Community Involvement. The Issues and Options Report, is the first formal stage of the preparation of the Accommodating Growth Development Plan, which is essentially a site allocations document that will deal with new development and growth in the Borough.
14. The Middleton One Conservation Area Character Appraisal was approved by Cabinet at its meeting held on 2nd November, 2010. The appraisal, which is the eighth in a programme of 16 Character Appraisals, aims to preserve and enhance the character and appearance of conservation areas and provide a basis for making sustainable decisions about their future.
15. I am pleased to inform Members that, at the recent Royal Town Planning Institute (RTPI) North East Regional Award ceremony, the Council's 'Design of New Development' Supplementary Planning Document, known as *Distinctly Darlington*, was the 2010 overall winner. The awards scheme takes place annually in order to recognise, celebrate and publicise good planning practice in the North East of England. The judges noted several interesting and original aspects of the exercise, including the use of a website and consultation workshops to encourage members of the public to express their views on the character and distinctiveness of different parts of Darlington, the use of defined character zones, and the excellent layout of the policies and illustrations, with clear links to relevant national policies and guidance. The national president of the RTPI, Ann Skippers, visited Darlington on 23rd November, 2010, to see for herself the work being undertaken in the Borough.
16. Training for Members for the new pre-application meetings has been completed and it is anticipated that the first of these new engagement events will take place this calendar year.

17. The Electronic Document Management System for Planning went live on 1st November, 2010. This will enhance the efficiency of the service and provide improved access to planning information for the public.

Town Centre

18. At the meeting of the Town Centre Board which I chaired on 7th October, 2010, Board Members gave an overview of current trading within the Town Centre, which many felt was mixed at the present time. Reports were also received on the Council's success in Northumbria in Bloom; the current situation with regard to the setting up of the Tees Valley Retail Skills Academy; the results from the 'Secret Shopper'; an overview of the Summer Market Spectacular; the forthcoming Winter Programme of events; and an update from the Town Centre Manager on current Town Centre initiatives.
19. An independent market, organised by 'Darlington It's Growing' (DIG), was held at Joseph Pease Place on Saturday, 23rd October, 2010, showcasing various aspects of sustainability, such as composting, renewable energy and energy saving, as well as local food. DIG is a community-led group with the aim of persuading residents to put local food on the menu and to give more people the chance to be involved in growing, enjoying and celebrating locally produced food.

Business Engagement

20. Enterprise Coaching / Business Start-Up support - Enterprise Coaching is now well established in Darlington, with our Enterprise Coach, Shakeel Asghar, having been in post since 5th July, 2010. The Project is funded through European Regional Development Funding (ERDF) resources, matched with British American Tobacco (BAT) Legacy monies, and is part of a collaborative bid submitted in partnership with Redcar and Cleveland Borough Council.
21. We are forging excellent working relationships with complementary service providers which, in turn has helped aid partnership working and create a smooth transition for our clients from one service or provision to another. This partnership approach has also helped with referrals as key local service providers are utilising the service frequently.
22. In the current economic climate, it is pleasing to note that there has been considerable interest in self employment within Darlington and there appears to be a real entrepreneurial spark with some residents.
23. Due to ERDF funding requirements, the Project is limited to the 10 most deprived wards within the Borough: Central, Cockerton West, North Road, Northgate, Bank Top, Lascelles, Park East, Eastbourne, Haughton East and Lingfield.
24. To address this issue of coverage, an agreement has been made with TEDCO, the development agency covering South Tyneside and Northumberland, who are providing a Business Start-Up Coach (at their cost) two days per week, initially on a trial basis, from September until 31st March, 2011. The Business Start-Up Coach, Diane Morris, is hosted within the Business Engagement Team.

25. The addition of Diane to the team also enables us to deliver specific business start-up seminars. During November alone, four workshops were delivered in Darlington, each having relevance to both new and existing businesses. These sessions were: '*Finding and Keeping Customers*' (9th November, 2010); '*Getting the Basics Right - Part 1*' (17th November, 2010); '*Is it Right for Me?*' (23rd November, 2010) and '*Getting the Basics Right - Part 2*' (24th November, 2010). The first and third workshops were delivered by Diane with the others being delivered by colleagues at InBiz. The workshops were delivered on behalf of Business Link and held at a range of venues and times to reach the widest possible audience.
26. Week commencing 15th November, 2010 was Global Entrepreneurship Week. As part of this week-long celebration of enterprise, organisations and groups from 88 different countries simultaneously hosted various events promoting enterprise and entrepreneurial activity. This year Darlington Borough Council hosted an event on 18th November, 2010. The event focussed on what businesses can do to maximise their presence and impact through online marketing.
27. ERDF funding, for the Enterprise Coaching service, is in place until 31 March 2013 and is matched with BAT legacy funding.
28. Tees Valley Industrial Programme (TVIP) Dedicated Business Link Adviser - Following on from the initial announcement of the 'mothballing' of Corus Teesside Cast Products (TCP), a £60M package of monies for the Tees Valley was made available for a range of measures including infrastructure development and business support, under the banner of TVIP. As part of the 'Business and Enterprise' workstream, an allocation of TVIP monies was made available to ensure that each of the five Tees Valley local authorities had access to a dedicated Business Link Adviser.
29. Suzanne Henty is Darlington's dedicated Business Link Adviser and has been in post since July. Suzanne's main focus has been pro-actively to engage with a number of Darlington-based companies in the Advanced Engineering/Manufacturing Sector, with a view to meeting with them to discuss support available to them to support their stability, growth and aid diversification into new markets. This arrangement is in place until 31st March, 2011.
30. Suzanne has engaged with 14 companies to date. A range of issues have been identified and solutions include:-
 - (a) support with marketing projects to attend UK and European exhibitions;
 - (b) training and export advice via UK Trade & Investment (UKTI);
 - (c) the need to raise company profile via e-commerce website through search engine optimisation ;
 - (d) strategies around the identification of new products to existing markets and new products to newly identified markets; and
 - (e) support for ISO accreditation.

31. To date and as a result of interactions with the above companies, and through project support offered, there has been a commitment that the projects supported will result in the following outputs:-
- (a) Six jobs created;
 - (b) 23 jobs safeguarded;
 - (c) turnover created: £348,100; and
 - (d) turnover safeguarded: £724,500.
32. It must be noted that the above are forecast figures. Additional activity includes identifying companies, with the help of Compete North East, who have failed to complete their registration process to date. The Compete North East team works to identify opportunities coming out of London 2012, and it is envisaged that this platform will be broadened for the purposes of other future public sector tender opportunities.
33. Encouraging Engineering - The first 4 students to be supported under this scheme have now started university, studying four year Mechanical Engineering degrees. A recruitment event for students for the 2011/2012 Academic Year will be held shortly.
34. Funded through the BAT Legacy, this project seeks to promote engineering as a career option to gifted and talented youngsters in Darlington – aiming to address the issue of graduate retention and counter the effects of an ageing workforce. Employers involved are CTC Marine Projects, Cummins, Mech-Tool Engineering and Henry Williams Limited. The Project offers a subsidy of £1,000 per term for the four year duration of a Mechanical Engineering degree (the monies to be paid against agreed expenditure). The employers offer a mentoring relationship together with paid summer vacation placement opportunities.

John Williams
Leader and Economy Portfolio