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**LEADER AND ECONOMY PORTFOLIO OVERVIEW**

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**Financial Climate**

1. Since my last report, there have been a number of significant developments for both the Borough and for the Council.
2. Following extensive consultation, the Council approved its Medium Term Financial Plan for 2011/12, at the meeting of Council held on Thursday, 3rd March, 2011. The Council had to make significant cuts to its budget as a result of the grant settlement it received from the Government, and as a result the majority of the suggested savings contained within the original budgets proposals, released in November 2010, will be implemented, in order for this Council to meet the current financial challenge. I am pleased that hard work by officers, and the willingness of staff to volunteer for redundancy or to reduce their hours, has brought the number of potential compulsory redundancies down. We will continue to do all that we can to minimise the human impact of the cuts on our residents and staff.

**General Updates**

3. Darlington held the annual ceremony to commemorate the Holocaust Memorial Day on Thursday, 27th January, 2011, at Darlington Arts Centre, to mark the 66th anniversary of the liberation of Auschwitz-Birkenau. The theme of this year's Holocaust Memorial Day was 'Untold Stories' and I was very pleased to read the Statement of Commitment at the Ceremony to re-affirm the Council's commitment to the day. The ceremony also included a welcome from The Worshipful the Mayor, Councillor Bryan Thistlethwaite, a personal testimony from Walter Knoblauch, who told his story of being a Jewish refugee in this Country, a dramatic representation from Windermere Productions, an interpretative dance from the St Bede's R.C. Primary School, readings, prayers and music from High Coniscliffe CE Primary School and Janet Walke. An exhibition of work produced by BTEC National Diploma Art and Design Students from Darlington College was available to view following the Ceremony. The Ceremony was well attended and the Council received positive feedback from many of those in attendance.
4. The Darlington Partnership arranged the seventh 'Best of Darlington Awards', which were held on Friday, 18th February, 2011, in order to recognise the achievements of some of the town's outstanding residents. The winner of this year's Citizen of the Year was Gordon Pybus with Antonia Puccio being awarded Young Citizen of the Year. The other categories and their winners were:- Darren Grey, Contribution to Sport; Darlington Operatic Society, Contribution to the Arts; Mech-Tools, Contribution to Business; Corporation Road Primary School, Contribution to the Environment; Andrew Williamson, Academic Excellence; Antonia Puccio, Outstanding Vocational Learner; Matthew Carnelly, Exceptional Student; Stephen Lunn, Neighbour from Heaven; Friends of North Park; Volunteer of the Year; Gordon Pybus, Contribution to the Community (Adult); Kirsty Lincoln, Contribution to the Community (Youth); Rockcliffe Hall, Putting Darlington on the Map; Tracy Kidd, Oh My

Darlington; and George Simpson, Unsung Hero.

5. Another important celebration of achievement took place at the Civic Theatre on Monday, 14th February, 2011, when Darlington hosted the town's fourth annual Teesside University Academic Awards Ceremony. We celebrated the achievement of those students who had completed their University course of study at Darlington College. The Vice Chancellor noted that the brand new University campus is nearing completion and is visible from around the town. I am keen that the Council continues to work alongside the College and University to encourage Darlington residents to take up the opportunities that both the College and the University offers.

## **Economy**

6. I attended the meeting of the Darlington Partnership Board held on Wednesday, 9th March, 2011. A workshop was held to which all Board Members were invited to attend entitled 'Darlington Together – Building Confident Communities'. The event was organised to enable new ways of working in Darlington to be explored in order to provide services and solutions to local needs through the building of confident communities.
7. I am pleased that there is so much positive engagement with the current review of our Partnership. I believe that in other parts of the country the removal of the requirement to have a Partnership is resulting in their demise. It is a testament to the strength of relationships in Darlington that all involved are keen to renew our shared community of purpose.

## **Town Centre**

8. I chaired the meeting of the Town Centre Board held on Tuesday, 3rd February, 2011, at which Members gave an overview of current trading within the Town Centre. The Board considered and endorsed the proposal to create a Business Improvement District (BID) for the town centre, the aim of which was to generate income in order to enhance the town's services for the benefit of businesses and secure financial stability of services within the town centre for a five year period (further information on the BID project can be seen at paragraph 12 below). In addition reports were also considered on the Christmas Markets Programme for 2010; the Town Centre Traders Association AGM; and an update from the Town Centre Manager on current Town Centre initiatives.
9. The Town Centre Heritage Trail Project is now at an advanced stage. The attractive printed heritage guide is almost at sign off stage and the majority of stakeholders have been consulted and their feedback taken on board. The Pavement Marker Coins have been cast and have now been delivered and they are in storage pending installation. Over one third of the Wayleave permissions for the installation of the interpretive elements of the project have been successfully negotiated and street name signs on the route of the scheme will be colour coded to complement the town centre maps found in the heritage guide.

10. The brand for the new loyalty scheme which is taking over from Dine and Unique is called 'More for Darlington'. The new brand will give the scheme the facility to add more diversity, additional business sectors and choice for the people of Darlington. From research carried out towards the end of 2010, it was apparent that the existing members would use their cards more regularly if more business sectors were introduced. This will also hopefully lead to an expansion in the number of members, with the aim of increasing footfall into Darlington and the Town Centre, but also revenue to both Town Centre and Darlington businesses.
11. As referred to earlier, the Town Centre Management Team are currently putting together a Business Improvement District (BID) for the Town Centre. A BID would generate income to sustain and enhance town centre services for the benefit of businesses and the general vitality of the town centre. Initial estimates suggest this income could be in the region of £247,000 per annum. A BID would secure the financial stability of services within the town centre over a five year period, maintaining and enhancing its quality in line with the strategic economic objectives of the Council. The BID proposal is dependent upon more than 50 per cent of businesses supporting the scheme and this being equivalent to more than 50 per cent of the rateable values in the area. The precise area and properties affected would be identified through the project development process. This proposal would involve most town centre businesses paying an additional levy on their business rates which is then re-invested into the management, marketing and shared value within the town centre.

### **Business Engagement**

12. The launch of the 'Encouraging Engineering' scheme for Darlington students seeking to commence a four-year Mechanical Engineering qualification at University in the 2011/12 academic year was held at Henry Williams Limited on 10th February, 2011. Attendees were given an overview of the benefits of a career in engineering; an outline of the Scheme's criteria and a site tour of Henry Williams' facilities. The Scheme, now in its second year of operation is supported by four local companies – CTC Marine; Cummins; Henry Williams Limited and Mech-Tool Engineering, and is funded through the BAT Legacy. The Scheme offers students the opportunity to rotate between the companies to obtain valuable mentoring support; together with summer vacation work experience and a bursary towards the costs of their university education. Support through the Scheme is via an application and selection procedure. Students attending the launch event and interested in being considered will shortly be submitting their applications.
13. In Darlington, as in other parts of the country, the public sector will be shedding many jobs over the next few years. Local employers who have vacancies can recruit from a pool of people with a wide range of skills from manual workers to high-end management and technically skilled individuals. Representatives from the Darlington Partnership have reached agreement with the HR departments of the major public sector employers in Darlington for them to alert staff leaving their employment of vacancies in local businesses. They are in a position to introduce employers to people who have the right skills and experience, reducing the time and cost to businesses of filling vacancies. Alasdair MacConachie, Chair of Darlington Partnership has recently written to all businesses in Darlington, large or small, to offer this opportunity.

14. Businesses that may have a single vacancy or a number of jobs to fill, or are planning an expansion in the near future, are being encouraged to contact Josh Slack on 01325 388064 or email [josh.slack@darlington.gov.uk](mailto:josh.slack@darlington.gov.uk) in order that they may be introduced to some quality people who could meet their skills needs. The Partnership is looking to run this initiative for several months, commencing from February 2011. The initiative has been well received, and already a regular stream of vacancies is being distributed to HR departments.
15. The Business Engagement team are also working collaboratively with the Council's HR team to provide support to members of staff at risk of redundancy, through the provision of a series of workshops exploring self-employment options. There are a series of five workshops that each last 60 minutes and give participants an overview of self-employment. Each looks at a different theme. The sessions are interactive and staff are encouraged to attend as many as they would like. The workshops are restricted to a maximum of eight employees per session and consist of:
  - (a) **Need an Idea** – Aimed at attendees that may not have an idea but would like to explore starting their own business. It looks at hobbies, interests, experience and the potential barriers that may stop someone from working for themselves.
  - (b) **Turn Your Ideas into a Business** – Attendees may have an idea but have no idea how to turn it into a business. This workshop helps understand the steps needed to take to turn an idea into a business.
  - (c) **Turning a Hobby into a Business** – Aimed at those who already have an established hobby that would nicely turn into a business. This workshop helps think about the feasibility of it and whether there is scope to make money from doing something that you enjoy.
  - (d) **Everything in Place – What to do with it** - This session gives you an overview of what is involved in starting a business and the next steps required. It looks at timeframes; motivating factors and the benefits and challenges involved.
  - (e) **Combining Employment with Self-Employment** - This workshop considers the different ways of working, combining full/part-time employment with self-employment. It also allows attendees to consider all of their opportunities and the advantages and disadvantages of each way of working and how they will work for the individual.
16. The initial series of workshops have proved to be popular, so much so that a further series has been arranged covering the period to 31st March, 2011. What has been especially pleasing to note is the wealth of enterprising individuals who are coming forward with some really interesting business ideas.
17. Operation Green was launched by the Government in August 2010. The aim is to ensure that new business ventures play an important role in the creation of North East England as the UK's leading Green and Low Carbon Business Region. Its success will be measured in terms of new businesses in the sector and the number of businesses diversifying into green business activities at their core.

18. The pilot project, managed by TEDCO, runs until 31st March, 2011, with the possibility of further European Regional Development Funding (ERDF) from April 2011. The project will provide extensive and intensive support for new and rapidly growing businesses in renewable energy and related low carbon markets in North East.
19. A series of free awareness events will be held across the region in March 2011, targeting people interested in starting a business or growing an existing business. The events aim to: Describe the Green Economy in North East England; Illustrate the opportunities for new businesses in the Green Economy; Bring together the main areas of opportunity; Show how supply and demand works at a general level; Showcase an existing successful business in the region, and explain the support available.
20. Thursday, 17th March, 2011, sees the only Tees Valley event being held at Darlington Rugby Club. Each event will also feature a keynote presentation by a successful business from the North East already operating within the low carbon sector.
21. TEDCO is a leading company in enterprise development which re-invests its profit and aims to help generate prosperity in the North East. The company was formed in 1984 and is located in South Tyneside, North Tyneside and Berwick upon Tweed. In recent months TEDCO have expanded their scope of operations and established a close working relationship with the Council's Business Engagement team, providing the services of a Business Start-Up Coach on a part-time basis.
22. **Employment and Worklessness** - Darlington's recent performance on worklessness has been relatively positive when compared to the remainder of Tees Valley and the North East. Between November and December 2010 Darlington's claimant rate rose marginally by 0.1 per cent to 4.5 per cent, moving from 2,786 JSA claimants to 2,894. Darlington's rate is now 0.2 per cent below the North East average and per cent below the national average 3.5 per cent. There remain problems specifically with younger age ranges, with 29.6 per cent of all JSA claimants being aged 25 or below. This is lower than the Tees Valley and North East averages of 30.3 per cent and 30.8 per cent respectively but above the national average of 27.9 per cent.
23. There remain significant differences between the more prosperous and less prosperous areas. The average number of JSA claimants within the 5 worst performing wards is 258, compared to the average number of JSA claimants within the 5 best performing wards of 30. Northgate continues to experience the highest levels of worklessness, with 325 claimants, followed closely by Park East with 294.

**John Williams**  
**Leader and Economy Portfolio**