
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. Following approval of the Medium Term Financial Plan for 2011/12 at the special meeting of this Council held on Thursday, 3rd March, 2011, the Council is now in the process of implementing those proposals. 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 budget proposals, released in November 2010, were approved in order for the Council to meet the current financial challenge. It is pleasing to note that due to the hard work of officers, and the willingness of staff to volunteer for redundancy or to reduce their hours, the number of compulsory redundancies were not as high as originally predicted. We are continuing to do all that we can to minimise the human impact of the cuts on our residents and staff.

General Updates

3. I attended the meeting of the Darlington Partnership Board held on Wednesday, 9th March, 2011, at which further consideration was given to the Review of the Darlington Partnership and to the work of the Arts Enquiry Group. Update reports from the Executive Group, Themed Groups, Third Sector, Community Partnership Steering Group and the Partnership Director were also considered. Following the meeting, a workshop was held between Partnership Board Members and a wide range of people and organisations which explored new ways of working together in Darlington to provide services and solutions to local needs through building confident communities.

Economy

4. To enable the implementation of the Central Park Masterplan, Cabinet at its meeting held on Tuesday, 8th March, 2011, agreed to the Council being the lead public body for land assembly and to use, if necessary, Compulsory Purchase Order powers to facilitate the implementation of the outstanding planning permissions for the site. The redevelopment and regeneration of this site is essential to the creation of a 'mixed use' community at Central Park. The acquisition of land and property will facilitate the redevelopment of the land, which will in turn lead to the economic, social and environmental well being of the area.

5. The Council warmly welcomed the announcement from the Hitachi led Agility Consortium that it intends to bring its new £4.5 billion Intercity Express Programme (IEP) to Newton Aycliffe. The Council will do all it can to support Hitachi's arrival in the North East and help business in Darlington, and the wider Tees Valley, to move swiftly and make the most of the opportunities the announcement brings; support Darlington and Tees Valley residents to make the most of opportunities the new investment brings; and help education and training providers respond to new job opportunities and skill requirements.
6. The Council is working with Tees Valley Unlimited partners on proposals for a Tees Valley Enterprise Zone, to ensure that benefits to the economy are maximised and the potential unintended consequences experienced in earlier rounds of Enterprise Zones are eliminated or minimised.
7. February's Job Seeker Allowance (JSA) claimant count figures show that the number of JSA claimants in Darlington has increased 0.7% from December 2010 (4.5%) to February 2011 (5.2%). The latest figures put Darlington 0.1% below Stockton on Tees (5.3%), but un-typically higher than the North East average of 5%. As might be expected Darlington has performed better than Hartlepool (7.4%), Middlesbrough (7.8%) and Redcar and Cleveland (6.6%). In terms of JSA claimants by age the figures show that the number of claimants aged 18 – 24 years has risen in Darlington by 0.5% to 29.6%, which is in line with regional and national trends (North East 31.9%; Great Britain 28.7%). Claimants aged 25 – 49 have dropped slightly from January 2011 (56%), although they are 2.2% higher than 12 months previously. Claimants aged 50 and over have also increased, although only marginally. The biggest increase in JSA claimants has arisen, in the period February 2009 – February 2011 in the Administrative and Sales occupations.

Planning

8. I am pleased to inform Council that we have received confirmation from the Planning Inspectorate that the Darlington Local Development Framework Core Strategy has been found to be sound, subject to binding recommended minor changes. This follows the Hearing sessions of the Public Examination held in January to consider whether the Plan is compliant in legal terms and whether it is justified, effective and consistent with national policy. The Inspector's Report concludes that the Darlington Core Strategy provides an appropriate basis for the planning of the Borough over the next 15 years. The Inspector states that "the Council is to be congratulated on the significant amount of support expressed by representors for the Publication Draft of the Core Strategy. It reflects the considerable amount of work undertaken by its planning and environmental policy team during the Preferred and Revised Preferred Options stages."

Town Centre

9. I chaired the meeting of the Town Centre Board held on Tuesday, 5th April, 2011, at which Members gave an overview of current trading within the Town Centre. The Board also considered reports on a number of issues, including the 'Art in the Yards' project, which had had a positive impact on the Yards in terms of increased footfall and the raising of the profile of the area; the partnerships that were currently in place between the Town Centre Management team and partners, who were working together on various initiatives involving the reduction of crime in the Town Centre; the work of Peter Stemmer, Darlington's Town Crier, in promoting Darlington around the country; and on the current position with regard to the loyalty schemes run by the Council and their replacement by the 'Get **More** from Darlington' scheme. An update report was also considered on the activities of the Town Centre Management team, which stated that funding for the Darlington Town Centre Retail Awards for 2011 had been sourced; updated the Board on the Town Centre Business Improvement District and the Town Centre Heritage Trail; and stated that a new advert promoting Darlington was planned for May 2011. The funding for the Heritage Trail and its promotion is entirely funded out of the Communities and Local Government Grant and not the general budget.

Business Engagement

10. The Business Engagement Team are working with Jobcentre Plus and Cummins following the recent announcement of 120+ jobs that Cummins are looking to recruit, to raise awareness of these job opportunities to Darlington residents. The vacancies will initially be offered as short-term contracts, with the potential for extension if the company secures further contracts. The vacancies have recently been advertised and shortlisting will take place towards the end of April.
11. The Team are also working collaboratively with the other 4 Tees Valley authorities in respect of the potential employment opportunities presented by the recent acquisition of the former Teesside Cast Products in Redcar by Sahaviriya Steel Industries (SSI) with the potential for an estimated 800 jobs on the site.
12. The new social housing development being developed on the former school site at Beaumont Hill may also present a small number of employment opportunities for Darlington residents. The Team is working with Southdale Homes through the use of Targeted Training & Recruitment clauses to encourage the recruitment of local residents and displaced apprentices to ensure that they are able to finish their qualifications.

John Williams
Leader and Economy Portfolio