

Darlington Economic Strategy Annual Monitoring Report

Feb 2015

Contents

Introduction	3
Context	4
Overview – The Economy of Darlington	7
Summary	9
Section 1 – Action Plan (2014/15)	12
THE RIGHT PLACE	12
THE RIGHT PEOPLE.....	13
THE RIGHT INFRASTRUCTURE	17
THE RIGHT BUSINESS CONDITIONS.....	21
Section 2 - Economic Strategy Action Plan (2015/2016)	24
THE RIGHT PLACE	24
THE RIGHT PEOPLE.....	26
THE RIGHT INFRASTRUCTURE	29
THE RIGHT BUSINESS CONDITIONS.....	31
Performance measures and targets (2015/2016).....	32

Introduction

The Economic Strategy for Darlington was approved in September 2012 and contains a commitment to undertake an annual review and assess progress against the targets and recommend future priority actions, which this report seeks to do.

The key objective in monitoring the economic strategy is:-

1. To assess the extent to which the actions are delivering on the objectives we wanted to achieve;
2. To identify what has been done and what still needs to be done;
3. To identify any issues affecting progress;
4. To produce an updated economic strategy action plan that takes account of prevailing economic and social issues that have arisen, including global and national economic turbulence, policy changes and social need.

This document is structured to provide the reader with an:-

1. an overview of the current economic position of the borough,
2. an overview of the work that has been done during the past year.
3. the revised/updated Action Plan.

Context

The Economic Strategy for Darlington was developed in 2012 by Darlington Partnership and the Council through consultation with local employers, business support organisations, trade bodies, education providers, investors and local entrepreneurs.

The 2012 – 2026 strategy replaced the 2001 Darlington Gateway Strategy. The Darlington Gateway Strategy helped the borough attract substantial public and private sector investment which led to Darlington's economic indicators improving faster than other areas.

To maximise our potential for achieving further economic growth it is essential that Darlington's Economic Strategy and the actions contained therein, align with the Tees Valley Strategic Economic Plan and that through working closely with the LEP (Tees Valley Unlimited) with businesses and other agencies, we create the right environment to attract business investment, for companies to set-up, flourish and drive growth in jobs and economic output.

Agreed with Government in July 2014 the Tees Valley Strategic Economic Plan (SEP) sets out ambitions to generate an increase of £1Bn in GVA and 25,000 new jobs in the Tees Valley. To achieve this, the SEP focuses on six priorities:

- (a) Develop and nurture an innovation culture and positive environment for business growth;
- (b) Secure the transformation of Tees Valley into a Low Carbon High Value economy;
- (c) Secure improved skills levels to address future demand in growth sectors and in existing industries;
- (d) Secure additional capacity on the East Coast Main Line rail route and improve rail services to major northern cities and within the Tees Valley;
- (e) Improve air, road, port, land and property infrastructure to enable economic growth; and
- (f) Create and retain wealth by establishing the Tees Valley as a preferred location to live in, work and visit.

Darlington's excellent transport connectivity, education services and quality of place mean that we are well placed to achieve growth in jobs and economic output. Darlington is focusing on the key potential growth sectors of Biologics, Subsea, Advanced Engineering and Manufacturing, Logistics and Public Sector/Service Sector; on increasing workforce skills, supporting start-up businesses and growth within small medium enterprises (SME).

Through our own Economic Strategy and action plan we are delivering against the four key themes:-

- **Place**– promoting Darlington as an outstanding business destination in terms of its location, quality of life, skilled workforce and business environment; Sharpening up our sector propositions, marketing material and in partnership with TVU targeting of key sectors so that we substantially increase the UK wide and international profile of Darlington as a place to invest and do business.

- **People**– support education, skills and employability initiatives that match the needs of the local economy, including continuing delivery of the successful Foundation for Jobs initiative, the ongoing promotion of Science, Technology, Engineering and Mathematics (STEM) subjects, whilst also best supporting those who need help in accessing employment opportunities;
- **Infrastructure** – taking forward the economic case and lobbying for an integrated transport network including improvements in road, rail and air connectivity. Infrastructure also includes the River Skerne flood alleviation scheme, releasing Town Centre development land; delivering the first phase of the Central Park spine road including a new junction with Yarm Road; bringing forward plans for improved infrastructure at key strategic employment sites at Faverdale and Yarm Road South and the further delivery of superfast broadband to key employment sites.
- **Business Growth** – targeting Darlington’s high growth SMEs, whilst also building on existing sector strengths in advanced manufacturing/engineering, logistics/distribution and the digital creative sectors, whilst supporting emerging growth sectors such as sub-sea and biologics. To make the case to focus financial support made available through the LEP, Government Departments and other funding mechanisms on our priority measures designed to facilitate Darlington’s economic growth.

And to help achieve this access public and private sector investment. Targeting opportunities including the Government funded Local Growth Deal and EU structural funds (managed through the LEP), influencing Network Rail and Highway’s Agency investment decisions impacting on strategic transport infrastructure and working to encourage private sector investment. For example investment secured and in the pipeline includes:-

- At Central Park : -
 - a. £2.2M Local Growth funding for opening up access to Central Park from Yarm Road.
 - b. £38M National Biologics Manufacturing Centre – Opening in summer 2015 the NBMC puts Darlington on the global map as the national centre for the development and commercialisation of bio- pharmaceuticals into the global marketplace.
 - c. £17.5M in Local Growth funding allocated to support National Horizons Centre, an industry-education-technology partnership aiming to harness the game-changing potential of horizon industries, biologics, industrial biotechnology, subsea engineering and digital manufacturing and design. The Horizon’s Centre will provide high-value, integrated support for companies in innovation and commercialization, and training programmes from level 2/3 up to postdoctoral level. Development planned to start in 2016/17.
 - d. £10.0M in Local Growth funding allocated to Factories for the Future the next stage of the NBMC development, providing dedicated grow on space for bio- pharmaceuticals industries. Development planned to start in 2016/17
- £300K in LGF released for development of a master plan and business case for investment in the regeneration of Bank Top Station. The future design of, and services at, Darlington Station are integral to the economic ambitions of the Tees Valley, Darlington and the wider area. Access to East Coast Main Line services at Darlington Station is vital for the Tees Valley economy, with the direct route to London providing journey time benefits of

£413m, directly supporting £3.4m in GVA benefits and facilitating visitor revenue of £5.4m in the local community per year. Work on the business case is expected to be completed by December 2015.

- £2.2M allocated from 2016/17 to facilitate development of infrastructure at Yarm Road South Development site.
- £1.7M in private sector investment agreed at Faverdale East.
- Highways Agency investment in junction improvements at the A66 junction with Yarm Road







Note that where activity is taking place through the Tees Valley LEP, such as work on EU Structural Investment funds and on the Tees Valley Investment Plan, this is captured in TVU plans and monitoring reports, and not fully reflected within this document.

Overview – The Economy of Darlington

The following section provides a snapshot of the economy of Darlington in 2014 using a variety of key economic indicators and national datasets. Through these we are able to measure the success of the economic strategy in achieving its objectives, which in turn will help shape this and future action plans.

In all instances the latest available data has been used. It is important to note that there is significant time lag for publication of some of the data, with sub national data released more slowly. It is therefore essential that we revisit these figures over the coming months and years and feed into ongoing action plans as appropriate. Where the Darlington Trend figure is underlined, Darlington has performed better than the national trend.

Table 1

Indicator	2008	2009	2010	2011	2012	2013	2014	Darlington Trend (2008 to latest data)	Better/ Worse or Same (2008 to latest data)	National Trend (2008 to latest data)	Most Recent Local Data – Direction of Travel
GVA per annum¹	£2,068m	£2,022m	£2,329m	£2,327m	£2,240m	£2,138m	n/a ²	Darlington economy grew by 3.4%		UK GVA grew by 3.3%	
GVA per hour worked³	92.2	91.3	101.3	94.9	93.4	86.7	n/a	Decreased by -5.96%		UK = 100	
GVA per head	£19,947	£19,375	£22,179	£21,182	£21,286	£20,281	n/a	Grew by 1.67% per head		Grew by 2.6% per head	

















¹ GVA per annum is Darlington's contribution to the national, regional or sub-regional economy

² n/a = Not available

³ Indexed to UK = 100

⁴ Green Arrow = Better

⁵ Red Arrow = Worse

Indicator	2008	2009	2010	2011	2012	2013	2014	Darlington Trend (2008 to latest data)	Better/Worse or Same (2008 to latest data)	National Trend (2008 to latest data)	Most Recent Local Data – Direction of Travel
Gross Disposable Household Income (GDHI)	£12,396	£13,243	£13,473	£13,437	£14,017	n/a	n/a	Grew by 13.8%		Grew by 12.6%	
Median weekly workplace based earnings	£440.1	£431.6	£440.5	£448.5	£459.2	£408	£480.2	Grew by 9.1%		Grew by 8.6%	
Median weekly residence based earnings	£415	£436.4	£455.9	£433.5	£436.4	£446.1	£479.1	Grew by 15.4%		Grew by 8.5%	
Number of VAT or PAYE registered enterprises	2,655	2,660	2,590	2,530	2,625	2,635	2,685	Increased by 1.13%		Increased by 0.9%	
Employment rate	71.1%	69.4%	68.8%	70.2%	68.6%	69.1%	73.5%	Increase by 2.4		Decrease by 0.5	
Unemployment rate	5.3%	7.2%	9.1%	7%	9%	10.7%	8.1%	Increased by 2.8		Increased by 3.3	
JSA claimants	2,305	3,180	2,787	3,413	3,595	2,874	2,060	Decreased by 10.6%		Decreased by 19.7%	
Number of people with an NVQ4 or above	18,400	18,500	19,200	17,100	17,400	19,400	n/a	Increased by 5.43%		Increased by 23.07%	

Summary

Darlington has many advantages for businesses, excellent transport links, good quality residential areas, high achieving schools and colleges and relatively low land and premises costs. The scale and rate of investment now happening at our major regeneration site, Central Park (£50M in commercial and £31M in residential development), in the Town Centre (£30M Cinema complex and DfE Offices) and at Lingfield Point is testament to the confidence investors have in Darlington as a place to do businesses. In the past 12 months we have also seen housing growth pick up with around 400 new housing completions expected in 2014/15. Developments taking place and opportunities opening up include:

- Central Park, one of the largest brownfield sites in Europe next to a railway station, already has new buildings for Darlington College and Teesside University, an international subsea training centre (C-STATE), with the first phase of housing now well underway with xxx completions in 2014; the Business Incubator opening in April 2015 and the National Biologics Manufacturing Centre (NBMC) to be operational by summer 2015.
- The NBMC will bring world class work on moving research towards production, with huge opportunities for spin-offs and sector growth.
- Central Park will also host the new National Horizons Centre and CPI Factories for the Future development, both developments planned to start on site in 2016/17.
- Darlington companies in the subsea engineering sector also have world class reach, and bring opportunities to grow that sector too, for example C-State, a partnership between Subsea industries and Darlington College provides a world class training facility attracting companies from around the globe.
- In the Town Centre, work on the new cinema, hotel and leisure complex is underway, together with construction of a multi-storey car park which will free other sites for development. Opening of the Cinema is planned for the March 2016.
- The new public sector hub in the town centre, with shared office space between DfE and the Council opened at the end of January 2015.
- At Lingfield Point in the east of the town 2 million square feet of floorspace built by the wool-makers Paton & Baldwin in the 1950s is being transformed into a new sustainable mixed-use community. Lingfield Point has recently been purchased by developers Clear Bell, with ambitions to continue to build on the success of the site and to see Lingfield Point become a flagship for successful regeneration in the North East.
- Our Local Plan, with the next stage to be published in 2015, sets up growth plans for new communities in the Town Centre Fringe, the Eastern Urban Fringe and the North-Western Urban Fringe.
- There are logistics, manufacturing and engineering sites next to the A1(M), at Faverdale and in the Eastern Growth Zone adjacent to Yarm Road, the Eastern Transport Corridor and A66; and opportunities to grow aviation-related businesses next to the Airport.

These and other opportunities opening up, demonstrate that with the right strategy in place, creating the right conditions Darlington's Economy is growing.

A review of the indicators in table 1, shows that Darlington's Economy is recovering well from the 2008 – 2009 recession (though note for a number of measures there is a 1 or 2 year reporting delay).

On most indices Darlington's economy has out performed regional and national growth trends. Darlington has experienced increases in measures relating to the 'cost of living' with Gross disposable household income, median weekly workplace based earnings and median weekly residence based earnings all showing significant growth, though these indices are still below the national average.

Gross disposable household income per head in 2012 has risen to £14,017; this is the combined incomes of all people sharing a particular household or place of residence, and includes every form of income (e.g. salaries and wages, pensions, benefits etc). Darlington's rate of household income growth over the period 2008 to 2013, at 13.8% is higher than the national growth for the same period of 12.6%. However the total gross disposable household income per head is still lower than that for the North East as a whole, £14,393 per head and the national figure of £16,791.

The productivity of jobs within the borough (measured by GVA per hour worked) has decreased by 5.96%, over the period 2008 - 2013, however Darlington's GVA is still higher than many of our counterparts nationally. This suggests that either (or a combination of both), people are working longer, less productive hours and/or that the jobs lost within the local economy represented higher value added employment.

The most recent data shows that in 2013, 32.6% of all jobs in Darlington were within the Public Administration, Education and Health sector, which equates to 15,200 jobs. The financial and other business services sector is the second largest, accounting for 20.3% of all jobs (9,500). Wholesale and retail, including motor trades (7,000) and Manufacturing (3000) sectors account for 15% and 7.4% of jobs. The Agricultural sector accounts for only 0.1% of all jobs in the borough.

Recent trends (2008 -2013) show an improving picture regarding the skills and productivity of Darlington's residents with a slight increase in total GVA per annum, a rise in the employment rate and an upsurge in the number of residents with an NVQ4 or above. Darlington has a higher proportion of residents with an NVQ4 than all other Tees Valley authorities; Darlington also has the third highest percentage of residents with NVQ3 of all 12 North East authorities. This coupled with a 10.6% reduction in JSA claimants showcase the success of the Borough's focus on developing higher level skills required for economic and business success.

The employment rate in the borough at 73.5% is now higher than the pre-recession rate of 71.1% and higher than the national employment rate of 71.9%. The unemployment rate for 2014 now stands at 8.1% compared to 10.7% figure of 2013 however this is still much higher than the pre-recession rate of 5.3 or the current national rate of 7%. This equates to 4,600 economically active people seeking work. Note that the unemployment rate has not fallen at the same rate as growth in employment, this is because the proportion of residents classed as economically inactive has increased however the working age population which these figures are based from has decreased over the 2013 – 2014 period.

The number of VAT and/or PAYE registered enterprises decreased by 30 between 2008 and 2014, although between 2011 and 2012 an increase of 155 VAT and/or PAYE registered enterprises was posted. 85.1% of enterprises in Darlington are categorised as micro (0 – 9 employees); 11.9% are classified as small (10 – 59 employees), 2% are classified as medium sized (50 – 259 employees) and 0.7% are classified as large (250+ employees). Note that this data does not include sole traders and other small companies not VAT and/or PAYE registered.

The following Section details the actions under each theme heading, and measures used to assess progress on delivering each action.

Section 1 – delivery of 2014/15 actions

Place Theme

Objective 1: Raise the profile of Darlington (marketing/influencing/informing) in order to generate economic growth (general and sector specific) by:

What we will do		Lead	Progress
1.1	Develop and implement the 'Marketing Darlington Action Plan', including:-	Economy Team	
a	Through targeted marketing and promotion of the borough's business and investment offer (including quality of life features – housing, leisure, culture and retail)	Economy Team	Dedicated 'inward investment' website now in development and expected to go live by April 2015. Sites & premises web portal went live in December 2014.
b	Associate Darlington with high profile events e.g. Festival of Thrift and the Senior Open Golf Tournament	Economy Team	Festival of Thrift 2014 – event attracted over 40,000 visitors. Senior Golf open, New Zealand Rugby
c	Develop a "Darlington Plc" approach to promoting the borough to key/target sectors	Economy Team	Ingenious Darlington brand and marketing toolkit being developed by private sector led group of businesses
d	Develop a partnership approach to promoting the borough to encourage enterprise and inward investment (e.g. Darlington Bondholders scheme)	Economy Team	Linked to work on the branding – with promoting the borough being a shared responsibility amongst private and public sector partners.
e	Determine how we can maximise the opportunities to promote quality of life and the Town Centre offer	Economic Initiative	Town Centre Conference held in March 2014 and draft Town Centre Business Plan presented to Town Centre Board November 2014.

Outcomes/Measures		
Description	Target	Outcome
Halt decline in annual footfall in the Town Centre	No lower than 2013 count of 21.45m ⁴	After accounting for fault with counter at Northgate 2014 count was 0.08% lower than in 2013
Attract inward investment enquiries	20 per year	22 enquiries dealt with by Economy Team and TVU, 19 of these expansion projects from locally based businesses.

People

Objective 1: Improve Darlington’s economic competitiveness and growth prospects by increasing the supply of appropriately qualified workers and continuing to develop vocational skills to meet the needs of employers and enterprise

What we will do		Lead	Progress
1.1	Support and/or develop activity aimed at increasing apprenticeship opportunities	FFJ	FFJ has delivered 388 new apprenticeships since its launch in April 2012.
1.2	Support the development of high quality STEM provision and promote participation by young people	RTC North	FFJ has delivered programme of business / industry led STEM based events in 2014/15.
1.3	Foster better relations between industry and education providers through the delivery of a series of targeted events	FFJ	Examples include Low Carbon Event with 140 yr 9 pupils taking part in practical engineering activities led by professional engineers and Institute of Civil Engineers bridge building event hosted by Darlington College. 2822 pupils had taken part in an FFJ event as of December 2014.
1.4	Encourage more employers to take on their first or additional apprentices	FFJ	55 Businesses have received an

⁴ Based on 7 counter sites at West Row, Skinnergate, Northgate, Post House Wynd, Blackwellgate, Bondgate and High Row.

			employment subsidy with 72 placements funded.
1.5	Deliver the 'Encouraging Engineering Scheme'	Economy Team	15 undergraduate students have joined the scheme since it started in 2010. With 2 of the first students graduating in 2014 and now employed
1.6	Working with existing businesses to identify skills shortages and future skills needs	Economy Team	Darlington is a partner in the Tees Valley Workforce Skills Programme. To date 94 Darlington businesses have taken part with 279 employees receiving training in areas including hospitality, marketing, construction and health & safety. Working in partnership with Distinct Darlington to recruit Town Centre Businesses the TVWS programme is delivering a series of training sessions between January – April 2015 aimed at supporting the retail sector.
1.7	Engage with SMEs with growth potential that are constrained through lack of leadership and management capability to address these issues	Economy Team	Work is in progress to analyse the results of an employer skills survey, and to use that intelligence to influence future training.
1.8	Develop a portfolio of marketing products aimed at attracting or retaining talent within the local labour market (linked to Place Objectives)	Economy Team	This work is linked to the development of the Ingenious Darlington brand.
1.9	Explore the potential to develop an Apprenticeship Training Agency (ATA) or similar to encourage the uptake in apprenticeships by employers; act as host employer and provide a route for fast tracking gifted apprenticeships through the management ranks	Economy Team	Plans to utilise Regional Growth Fund to support an ATA were not realised, as the funding criteria were changed by government. Other options for supporting apprenticeship training supported by EU funding are being explored with Tees Valley Unlimited.

Objective 2: Remove barriers preventing people from participating in the workforce, and provide access to basic skills training and progression to work for those people who need support to enable them to participate in the labour market

What we will do		Lead	Partners/Support	Timescale
1.1	Enable access to employment opportunities for all Darlington residents	Economy Team	Through the Tees Valley Workforce Investment Scheme 103 new jobs have been approved and 5 jobs safe-guarded in Darlington, the value of wage subsidy approved is £869,815 matched by £2,847,781 in private funds.	
1.2	Influence delivery of employability provision towards area's (wards) of most need	Economy Team	The Red Hall employability project started in summer 2014, with a weekly Jobs club, held at the Community Centre and support for Red Hall residents to access local employment. The project has secured £25,000 from CDDF with a target of supporting 60 people, with a minimum of 15 securing employment and 3 taken on as apprentices.	

Objective 3: Maximise the opportunities to link resident to employment opportunities (within/outside the borough)

What we will do		Lead	Progress
1.1	Identify companies with skills shortages and growth potential and link them to unemployed or under employed 25+ yr old individuals with a need for re-training in new disciplines to improve their chances of securing employment within growth sectors	Economy Team	Until ESF funding is available, support for training / re-skilling 25+ yr olds is extremely limited. LMI information on future skills requirements will be used to inform support programmes.
1.2	Optimise opportunities to provide employment for the resident workforce by engaging with indigenous businesses and those outside of the borough with employment or supply chain opportunities (e.g. National Biologics Manufacturing Centre, Hitachi)	Economy Team / TVU	Through the Growth Compass TVU have appointed a supply chain advisor, responsible for supporting growth in priority sectors. E.g. Supply to process automotive

Outcomes/Measures

Description	Target	Outcome
Increase employment rate to pre-recession rates by 2016.	69.74%	Achieved now at 73.5%
Bring unemployment levels in the borough in line with national figures by 2016	9.2%	Unemployment rate dropped to 8% compared to national average of 7%
Bring JSA claimant rates for residents aged 18 – 24 years in line with pre recession rate	6.7%	On track
Increase the % of the resident population aged 16 – 64 with NVQ Levels 3 & 4	By 2% per annum to 2018	On track
Reduce gap between 5 wards with lowest and 5 wards with highest unemployment levels.	To reduce the lowest wards average by 2%	Current average for lowest 5 wards = 9.9%, current average for highest 5 wards is 4.3%

Infrastructure Theme

Objective 1: Ensure that Darlington has the appropriate physical infrastructure to attract and sustain investment and employment growth by:

What we will do	Lead	Partners/Support
1.1 Identify and promote infrastructure projects which will make a positive contribution to the economic development/growth of the borough	Economic Initiative	Infrastructure projects identified as a priority for unlocking economic growth include a new access road for Central Park (work starting in April 2015), access road, broadband and utility infrastructure serving Yarm Road South development site, improved parking at Morton Palms, highway network improvements in the North West and Eastern Growth Zones and a major upgrade of Bank Top Station.
1.2 Secure investment through the LEP and/or other identified streams to support the delivery of key regeneration sites	Economic Initiative	Central Growth Zone and Bank Top Station secured Local Growth funding in 2015/16 to construct the link road and to commission a regeneration master plan and business case for the Station. £30M in pipeline funding has been allocated to support regeneration activity in 2016/17 and 2017/18
1.3 Lobby government/other key partners to prioritise investment in major local transport schemes to facilitate our economic growth	Economic Initiative	Work is ongoing to influence the rail industry (Network rail, rail operators and DfT) to invest in upgrading rail services on the East Coast main line and on local services. The Highways Agency has commissioned a series of studies looking at the business case for Improvements to the strategic road network (A1 and A66). These are both short

			term 'pinch point' schemes and longer term strategic upgrades to the network. Approval was given in January 2015 to redesign the A66/Yarm Road junction increasing the capacity of that junction.
1.4	Develop Darlington's physical broadband infrastructure	Economic Initiative	BT High speed broadband rollout programmed through BDUK. To cover town centre and Central Park enterprise zone, expected completion Spring 2015.
1.5	Contribute to and inform the development of Tees Valley Strategic Economic Plan (and others as appropriate) to reflect Darlington's major projects and investment priorities	Economic Initiative	The Tees Valley Strategic Economic Plan was approved by government in July 2014.
1.6	Maintain Darlington's Business Sites & Premises Register	Economy Team	A new property search database is now available. Users can search by property type, size, Economic Growth Zone and property agent. Then download a brochure with general information on investing in Darlington and detailing the properties selected.
1.7	Manage the High Street Innovation Fund to encourage occupancy of vacant premises	Economy Team	38 businesses supported / vacant premises occupied, includes 33 new businesses for Darlington

Objective 2: Ensure that Darlington has an effective transport system that meets the needs and aspirations of all (residents, visitors and businesses) helping the economy to thrive, improving the environment and enhancing quality of life

What we will do		Lead	Progress
1.1	Manage the local strategic transport network to increase the reliability of road journeys to all employment locations	Transport	Performance on delivering Darlington’s Local Transport Strategy is reported in regular reports to Cabinet. Performance measures on journey speeds and reliability indicate that average journey speeds for private vehicles on the urban network have dropped slightly (0.5mph), whilst bus punctuality has improved.
1.2	Work with the East Coast Main Line (ECML) Consortia to build the economic case for increased support and investment into the ECML	Economic Initiative	The ECML business case was published in June 2014. This and other work on the economic value of excellent rail connectivity is being used to support lobbying to national government for rail investment.
1.3	Work with the rail industry to protect Darlington’s position as an important hub on the strategic rail network	Economic Initiative	Within the ECML Business Case Darlington has been recognised as a key node station on the rail network, alongside Peterborough, Doncaster, Leeds, York, Newcastle and Edinburgh
1.4	Work with DTVA to secure a sustainable future for the airport as an international gateway to the Tees Valley	Economic Initiative	Work is ongoing with DTVA to consider the implications of the airports proposed Master-plan and business plan for investment.

Objective 3: Modernise the commercial premises stock of Darlington and bring forward opportunities on new and previously unused land

What we will do		Lead	Progress
1.1	Deliver the Business Growth Hub in Darlington	Economic Initiative	Scheduled to open in April 2015, construction for Business Central is well underway and once complete will offer office space for up to 60 firms, as well as an Open Space co-working facility
1.2	Secure funding as well as work with private developers to deliver premises within the borough (new and renovation of existing)	Economic Initiative	To add – JS
1.3	Encourage developers and existing owners to consider development or redevelopment of Grade A office accommodation	Economic Initiative	Completion of DfE and Business Central public sector investment in office space. No private sectors grade A development.

Outcomes/Measures		
Description	Target	Timescale
Attract public investment to support economic regeneration activities	Baseline yet to be determined	2014/2015
Increase in Grade A Office space	Baseline yet to be determined	2014/2015
Deliver new build on previously unused land	15,000sqm (gross internal floorspace)	2015/2016

Business Growth

Objective 1: Attract investment and employment opportunities through the development of clusters of activity in subsea, biologics, logistics, advanced engineering and public service sectors and other emerging sectors

What we will do		Lead	Progress
1.1	Raise the external profile of Darlington, targeting activity at the subsea, biologics, logistics, advanced manufacturing/engineering and public service sectors	Economy Team	Report on opportunities for investment in Logistics operations completed. Work in progress on the development of sector action plans.

Objective 2: Raise the local economy's competitiveness by increasing business formation and survival rates and supporting business growth in areas where there is the greatest potential

What we will do		Lead	Progress
1.1	Identify and target support where beneficial to SMEs with high potential for growth	Economy Team	Work to identify higher growth SME's is in progress utilising recently purchased 'MINT' dataset, providing detailed information including trend data on Darlington businesses.
1.2	Attract investment from the EU Structural and Investment Fund Programme 2014 – 2020 and other sources to support high growth businesses in the borough	Economic Initiatives	Release of EU funding has been delayed at a national level. The Council will continue working with TVU on influencing the EU Structural and Investment Fund Programme, priorities being: ERDF – Innovation, SME support, Low Carbon ESF – Employment, Skills, Social Inclusion

Objective 3: Encourage growth in target sectors and clusters by encouraging new/existing businesses to develop new products and markets; exploit innovative technologies and new ways of working and through the development of supply chain opportunities

What we will do	Lead	Progress
1.1 Work with TEDCO to ensure that the business start-up offer is closely aligned to client needs and that it addresses key business planning issues (e.g financial management and marketing)	Economy Team	Start up support provided by Enterprise Officer and TEDCO,(NEA and Ready for Business). To date, from Autumn 2013 there have been 120 new business starts, and 136 jobs created.
1.2 Provide ongoing comprehensive business and management development support particularly to fast growth companies and priority groups by strengthening and building on existing provision and increasing awareness and take-up (e.g. Contract Catalyst Fund)	Economy Team / TVU	Darlington companies have been supported in securing funding through the Tees Valley workforce investment scheme and in applying for Growth Compass funding. Further work is required to target growth businesses.
1.3 Improve access to local procurement by large purchasers thereby bringing business opportunities to local firms	Economy Team/TVU	Held MOD meet the buyer event / BITC Access the buyer event / Willmott Dixon meet the buyer event./
1.4 Increase local businesses' export activities by promoting awareness of exporting services/activities	Economy Team / TVU / UKTI	Participated in /promoted UKTI & NECC export competition / UKTI UK China export surgeries
1.5 Promote wider business support provision across the borough, signposting businesses to the appropriate support (i.e. Tees Valley Business Growth Hub, Darlington Cares Initiative, Teesside University Business Exchange Network etc)	Economy Team / TVU	Ongoing client relationships, signposting to relevant services/products

Outcomes/Measures		
Description	Target	Timescale
Increase Gross Value Added per hour worked back to pre-recession levels (88.5 in 2008)	84.9	Achieved now at 86.7
Increase survival rate of businesses aged 3 years or more by 2% per annum	60.1%	2010 start-up survival rate at 57.9 which is 0.3 lower than the 2009 start-up survival rate.
5 year target to narrow the gap from 87% to 90% of average Gross Disposable Household Income between Darlington and England	£14,670 (including inflation at 2.7%)	On target
Create additional VAT and/or PAYE registered enterprises to bring Darlington's average in line with the GB average	Target 1.5% percentage increase on baseline of 2635	2014/2015
Increase median weekly workplace based earnings for Darlington	£485.7 (inc inflation at 2.7%)	2014/2015

Section 2 – 2015/16 Actions

Place Theme

Objective 1: Raise the profile of Darlington (marketing/influencing/informing) in order to generate economic growth (general and sector specific) by:

What we will do	Lead	Partners/Support	Timescale
1.1 Complete work on development of the 'Marketing Darlington' brand 'Ingenious Darlington' and adopt use of the Ingenious Darlington branding toolkit.	Marketing Darlington Working Group	Darlington Businesses	March 2015
1.2 Develop, launch and implement an 'Invest in Darlington' website.	Sue White (Economy Team)	Darlington Businesses / Property agents	April 2015
1.3 Develop clear sector propositions promoting Darlington as a place to invest – for Logistics, Advanced Manufacturing, Digital, Biologics, Subsea and Business Services.	Sue White (Economy Team)	TVU / CPI / Digital City	2015/16
1.4 Identify and target key marketing channels – trade press, conferences etc.. For example attend multi-modal conference in April 2015.	Sue White / Richard Baker (Economy Team)	TVU / Businesses e.g. PD Ports	2015/16
1.5 Maximise the benefit of Darlington's association with high profile events, e.g. Hosting New Zealand for Rugby World Cup, Festival of Thrift, Senior Golf Open	DBC Communications Team	Richard Baker (Economy Team)	2015/16
1.6 Promote Darlington (including the Town Centre) as an excellent place to live, work, shop and do business – through marketing literature, media communications and social media. To include: <ul style="list-style-type: none"> - Tees Valley Place prospectus - Town Centre communications action plan - Town Events Plan - Launch of Distinct Darlington Town Centre App 	DBC Communications Team / Richard Baker (Economy Team)	TVU / Distinct Darlington / DBC Events Team Businesses	2015/16

Outputs

Description	Target	Timescale
Halt decline in annual footfall in the Town Centre	No lower than 2014 count of 21.45m ⁵	2015/2016
Attract new investment enquiries – expansion or new development	30 per year	2015/2016

⁵ Based on 7 counter sites at West Row, Skinnergate, Northgate, Post House Wynd, Blackwellgate, Bondgate and High Row.

People

Objective 1: Improve Darlington’s economic competitiveness and growth prospects by increasing the supply of appropriately qualified workers and continuing to develop vocational skills to meet the needs of employers and enterprise

Objective 2: Remove barriers preventing people from participating in the workforce, and provide access to basic skills training and progression to work for those people who need support to enable them to participate in the labour market

Objective 3: Maximise the opportunities to link resident to employment opportunities (within/outside the borough)

What we will do	Lead	Partners/Support	Timescale
1.1. Based on labour market intelligence and work with businesses to identify skills shortages and future skills needs – develop an employee skills training plan.	Suzanne Clark (Economy Team)	TVU, businesses, NECC, Darlington Business Club, local training providers	May 2015
1.2. Continue to facilitate strong working relationships between industry and education providers, bringing employers, schools and Colleges together to deliver practical activities for young people.	Owen McAteer FFJ	Local businesses, universities, colleges, schools, voluntary sector, DBC	2015/2016
1.3. Continue delivery of Foundation for Jobs project delivering successful high profile activities, developing new initiatives aimed at meeting the needs of the Labour market, and inspiring young entrepreneurs, a few of the key activities in 2015/16 include: <ul style="list-style-type: none"> - Low Carbon Engineering - Bridge Building - Subsea Engineering Event - Introduction to Bioscience Careers - Computer coding training for secondary teachers - Make £5 Grow - Mock Interview and interview preparation skills (This is not an exhaustive list of events/ activities)	Owen McAteer FFJ (Economy Team)	Darlington Partnership, local businesses, colleges, schools, voluntary sector, DBC	2015/2016

1.4	Encourage more employers to take on their first or additional apprentices.	Suzanne Clark / Owen McAteer FFJ (Economy Team)	Local Businesses and business organisations	2015/2016
1.4	Secure a sustainable funding model for FFJ, securing delivery over the medium – long term.	Owen Wilson/ (Economy Team)	TVU, Darlington Partnership, Schools, Colleges and local businesses'	July 2015
1.5	Access financial support through Tees Valley Skills and Investment scheme, flexible support fund and other sources to support apprenticeships.	Suzanne Clark / (Economy Team)	TVU, SFA ...	
1.6	Maximise opportunities for Darlington employers to receive free training through the Tees Valley Workforce Skills programme.	Suzanne Clark / (Economy Team)	TVU, Hartlepool Borough Council.	Scheme ends July 2015
1.6	Continue to deliver the 'Encouraging Engineering Scheme', recruiting a minimum of three new undergraduates in 2015	Helen Taylor (Economy Team)	BAT Panel Members	2015/16
1.7	Explore the potential to develop an Apprenticeship Training Agency (ATA) or similar to encourage the uptake in apprenticeships by employers; act as host employer and provide a route for fast tracking gifted apprenticeships through the management ranks	Suzanne Clark / (Economy Team)	TVU, local employers, Jobcentre Plus, other Tees Valley local authorities	Ongoing
1.8	Deliver Red Hall employability and skills project, supporting Red Hall residents to gain employment.	Suzanne Clark / (Economy Team)	Red Hall Community Association / CDFT (funder) / Morrisons Trust / Businesses	2015/16
1.9	Enable new routes to employment opportunities for all Darlington residents, for	Suzanne	Construction industry	2015/16

example ensuring that Council procured building / development projects include provision for employment and training of local people.	Clark / (Economy Team)	/ developers	
---	------------------------	--------------	--

Key Outputs		
Description	Target	Timescale
Engage school pupils in meaningful links with business and industry.	minimum of 1,250 school pupils	2015/16
Deliver new apprenticeship places for young people aged 24 or under	125	2015/16
Deliver internships for young people aged 24 or under	125	2015/16
Increase the proportion of school pupils leaving school who continue on to pursue STEM subjects	To be identified	2015/16
Red Hall??	60 residents to receive support 15 to gain employment, 3 to take up an apprenticeship.	

Infrastructure Theme

Objective 1: Ensure that Darlington has the appropriate physical infrastructure to attract and sustain investment and employment growth.

Objective 2: Ensure that Darlington has an effective transport system that meets the needs and aspirations of all (residents, visitors and businesses) helping the economy to thrive, improving the environment and enhancing quality of life

Objective 3: Modernise the commercial premises stock of Darlington and bring forward opportunities on new and previously unused land

What we will do		Lead	Partners/Support	Timescale
1.1	Deliver access road linking Central Park to Yarm Road	Highways & Capital Projects	TVU	2015/16
1.2	Deliver Masterplan and Business Case for investment at Darlington Bank Top station and continue to lobby government and the rail industry to support investment at the Station.	Economic Growth Group	TVU / Network Rail, Stagecoach/Virgin, TV TIG	March 2016
1.3	Launch Business Central	NE-BIC	Economy Team	April 2015
1.4	Complete a Masterplan and development framework document for key development sites, owned by the Council at: Yarm Road South (access from Salters lane) High Faverdale	Economic Growth Group		October 2015
1.5	Secure the investment allocated through the LEP and/or other identified streams to support the delivery of key regeneration sites, this includes funding for: Horizons Centre Factories for the Future Salters Lane South	Economic Growth Group	TVU	2015/16

	and contribution to construction of parking at Morton Palms (subject to release of funds should there be slippage on other TV wide schemes in the 2015/16 LGF programme) Deliver Morton Palms parking if funding released.			
1.6	Develop a programme of highway and transport measures to support economic growth, particularly at key sites within the North West and Eastern Growth Zones	Owen Wilson / Highways	Transport consultants	April 2015
1.7	Lobby government/other key partners to prioritise investment in improving rail connectivity on the ECML and local services.	Economic Growth Group	TVU LEP, ECML consortia	Ongoing
1.8	Work with DTVA to secure a sustainable future for the airport as an international gateway to the Tees Valley	Economic Initiative	DTVA, TVU LEP, local businesses/employers	2014/2015
1.8	Complete roll out of improved broadband infrastructure	Economic Initiative	BDUK, TVU, network providers	Summer 2015
1.9	Secure funding as well as work with private developers to deliver premises within the borough (new and renovation of existing)	Economic Initiative	LEP/HCA/Developers	2015/2016
2.0	Encourage developers and existing owners to consider development or redevelopment of Grade A office accommodation	Economic Initiative	LEP/HCA/Developers	2014/2015

Key Outputs

Description	Target	Timescale
Deliver new commercial development at a rate similar to that seen during the last period of significant growth.	15,000sqm B1/A2	2015/2016
	4.5Ha B1/B2/B8	2015/2016

Business Growth

Objective 1: Attract investment and employment opportunities through the development of clusters of activity in subsea, biologics, logistics, advanced engineering and public service sectors and other emerging sectors

Objective 2: Raise the local economy's competitiveness by increasing business formation and survival rates and supporting business growth in areas where there is the greatest potential

Objective 3: Encourage growth in target sectors and clusters by encouraging new/existing businesses to develop new products and markets; exploit innovative technologies and new ways of working and through the development of supply chain opportunities

What we will do		Lead	Partners/Support	Timescale
1.1	Identify and target support where beneficial to SMEs with high potential for growth	Economy Team	TVU,	2015/2016
1.2	Support SME's to grow (particularly to fast growth companies and priority groups) through securing funding, for example from TVU Growth Compass, RGF Let's Grow programme, ERDF and other sources.	Shak Asghar	TVU, MAS/ and other intermediaries	2015/2016
1.3	Attract investment from the EU Structural and Investment Fund Programme 2014 – 2020 and other sources to support high growth businesses in the borough	John Simpson	TVU	2015/2016
1.4	Promote and influence wider business support provision across the borough signposting businesses to the appropriate support (i.e. Tees Valley Business Compass, Teesside University Business Exchange Network etc)	Shak Asghar	TVU, University of Teesside	2015/2016
1.6	Signpost to business start-up support through partnership with University of Teesside, TEDCO and other partner organisations	Shak Asghar	Any business support partners	2015/2016
1.7	Improve access to local procurement by large purchasers thereby bringing business opportunities to local firms. e.g Organise procurement workshop with Darlington Business Club.	Economy Team	North East Procurement Organisation – Supply chain and meet the buyer events.	2015/2016
	Increase local businesses' export activities by promoting awareness of exporting services/activities	Economy Team	TVU	2015/2016

Key Outputs

Description	Target	Timescale
Engage with minimum 200 SME's		2015/2016
Increase survival rate of businesses aged 3 years or more by 2% per annum	60.1%	2015/2016

Performance measures and targets (2015/2016)

As covered in the 2014-15 monitoring report there is significant time lag for publication of much of the key economic data required in order to evaluate the impact of the strategy on achieving the objectives for each theme. However it is important that we periodically review 'what is the overall impact on achieving the core objectives of the strategy' Table 2, below recommends a set of core outcome indicators, progress against which will be reviewed annually, or quarterly where data is more frequently available.

Table 2. Outcome Indicators (2015 - 2016)

Indicator	Data Source	Frequency of reporting	Baseline 2011	2012	2013	2014	Target 2015/2016 (to be agreed)	Review
GVA per hour worked⁶	ONS http://www.ons.gov.uk/ons/rel/regional-accounts/regional-gross-value-added--income-approach-/december-2014/rft-nuts3.xls	Annual	94.4	93.4	86.7	n/a	87.2	Target to increase GVA per hour worked back to pre-recession levels (88.5 in 2008) by 2018
GVA per head	ONS http://www.ons.gov.uk/ons/rel/regional-accounts/regional-gross-value-added--income-approach-/december-2014/rft-nuts3.xls	Annual	£21,182	£21,286	£20,281	n/a	£20,585	Target to increase GVA per head by 1.5%
Gross Disposable Household Income (GDHI)	ONS http://www.ons.gov.uk/ons/rel/regional-accounts/regional-household-income/spring-2014/rft-nuts3.xls	Annual	£13,437	£14,017	n/a	n/a	£14,670 (inc. inflation at 2.7%)	5 yr target to narrow the gap from 87% to 90% of average GDHI between Darlington and England
Median weekly workplace based earnings	ONS http://www.nomisweb.co.uk/reports/lmp/la/1946157057/report.aspx#tabearn	Annual	£448.5	£459.2	£408	£480.2	£485.7 (inc. inflation at 2.7%)	National average = £520.2 Tees Valley average = £484.74

⁶ Indexed to UK = 100

Indicator	Data Source	Frequency of reporting	Baseline 2011	2012	2013	2014	Target 2015 / 2016 (to be agreed)	Review
Median weekly residence based earnings	ONS http://www.nomisweb.co.uk/reports/lmp/la/1946157057/report.aspx#tabearn	Quarterly	£433.5	£436.4	£446.10	£479.10	£485 (inc. inflation at 2.7%)	National average = £520.8 Tees Valley average = £473.28 Target to raise to a minimum of 95% of national average by 2018.
Number of VAT or PAYE registered enterprises	ONS https://www.nomisweb.co.uk/reports/lmp/la/1946157057/subreports/idbr_time_series/report.aspx?	Annual	2,530	2,625	2,635	2,685	2,715	Target to increase the number of VAT or PAYE registered enterprises by 1.5%
Employment rate	ONS https://www.nomisweb.co.uk/reports/lmp/la/1946157057/subreports/ea_time_series/report.aspx?	Quarterly	70.2%	68.6%	69.1%	73.5%	74%	National average = 71.9% Tees Valley average = 66.5% Target to maintain at current level.
Unemployment rate	ONS https://www.nomisweb.co.uk/reports/lmp/la/1946157057/subreports/ea_time_series/report.aspx?	Quarterly	7%	9%	10.7%	8%	7%	National average = 7.0% Tees Valley average = 12.6%
JSA claimants	ONS https://www.nomisweb.co.uk/reports/lmp/la/1946157057/subreports/jsa_compared/report.aspx?	Quarterly	3,413	3,595	2,874	2,060	1,998	Target to decrease by 3% per annum the number of JSA claimants
Number of people with an NVQ4 or above	ONS https://www.nomisweb.co.uk/reports/lmp/la/1946157057/subreports/quals_time_series/report.aspx?	Annual	17,100	17,400	19,400	n/a	19,788	Target to increase the number of people with an NVQ4 to national average by 2018.