
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. I, along with my Cabinet colleagues, have been working closely with the Corporate Management Team, to address the cuts that are being imposed on Darlington by the Coalition Government. From early indications, it is likely that the money available to local Councils will fall by at least 25 per cent over the next four years. At this stage, we do not know whether the money coming to us will fall by the same percentage, and indeed there is informed speculation that it will be more. As a result, we are seeking to make savings for the remainder of this current financial year and reports will be submitted to future meetings of Cabinet and Council on proposals to achieve these savings.
3. The Council have planned for change, in the context of significantly declining financial support from the Government, with the specific aim of transforming the Council to ensure that Darlington continues to drive progress and deliver good outcomes for the citizens of Darlington, through the development of a Business Model and Transformation Programme. However, the scale of the cuts that are being imposed and the speed with which they are being implemented present a unique challenge to local government. No service will be unaffected and the scope of change will be hugely significant in some areas. This is the most significant change the Council has faced since becoming a Unitary Council. The Council has to change what it does, how it does it and who delivers it, if it is going to serve the citizens of Darlington well in the changed economic climate beyond 2010. In order to achieve this, a robust, programme management approach is being adopted.
4. I am keen that there is effective engagement on the options and proposals that are being developed. However, the speed in which the cuts are being imposed will constrain these opportunities. What is clear is that, while we will do all we can to maintain the services that we provide for our communities, the cuts are likely to have a huge impact.

General Updates

5. Approval was given by Cabinet to undertake consultation on the form of political arrangements that will be adopted by this Council, in accordance with the provisions of the Local Government and Public Involvement in Health Act 2007. The Act states that the Council must pass a resolution by the end of this year, to adopt one of the new forms of political arrangements. In order to meet this deadline, the outcome of the consultation will be reported to future meeting of Cabinet and Council in November, to enable an informed decision to be made.

6. Darlington Partnership recently hosted two assemblies, the first of which was held on 20th May, 2010, with a theme of Health Inequalities: Tobacco Control. Presentations were given by Miriam Davidson, Director of Public Health and Ailsa Rutter, Director of Fresh North East, on the issue, together with feedback from the Health Inequalities Enquiry Group on the work that they had undertaken in this regard. A number of workshops were also held covering topics such as why teens start smoking; smoke free workplaces; and regulations for a smoke free environment.
7. The theme of the second assembly was the Town Centre Fringe, which is the area lying to the east and north of the Town Centre, extending from Bank Top Station to North Road Station. Much of this area is currently underused and tired and a masterplan is in the process of being produced to oversee the development of this area over the next 20 years. The development of this area offers an enormous opportunity to produce a sustainable and exciting part of Darlington and add to its unique and high quality attractions.
8. Work has started on the development of the new University building, in the heart of Darlington's Central Park development. This is an important development for the Borough, and the Council will continue to work with the University to help them thrive.
9. I was very pleased to attend the second Armed Forces Day 'Fly a Flag for Our Armed Forces' ceremony held on Monday, 21st June, 2010. This is an annual ceremony, and enables the whole nation to show their appreciation for the contribution made by all those who serve, or who have served, in Her Majesty's Armed Forces. The flag was raised over the Town Hall at 10.30 a.m. followed by a prayer, read by the Reverend Canon John Dobson from All Saints Church. The ceremony was welcomed by all those veterans in attendance.
10. I thoroughly enjoyed the third Bannatynes 'Bright Sparks' event held at the Dolphin Centre on 5th July, 2010. The event gave potential entrepreneurs of tomorrow a taste of what being in the real world of business was all about. Congratulations to Polam Hall School who won the Best Advertising Campaign Category for 'The Gift Fixer'; Hummersknott School and Language College who won the Best Business Plan Category for 'Illumination'; and for the second year running, the Education Village, who were the overall winners of Bright Sparks for 'Grey Away'.

Economy

11. Cabinet at its meeting held on 15th June, 2010, agreed to release £299,000 of Future Jobs Funding for 2010/11, following this Council's success in securing additional monies to create a further 46 job opportunities to support residents of Darlington into employment. The jobs are in addition to the 57 job opportunities that were created in the first bid (see paragraph 24 below). The Council is the lead partner and acting accountable body for the scheme, which involves a wider partnership that is committed to assisting 19 to 24 year olds and eligible workless people within Darlington's unemployment hotspots back into sustainable employment by addressing barriers to employment, providing a suitable job that can last a minimum of six months combined with appropriate on-the-job training opportunities. This is the second and final round of Future Jobs Funding; Funding for Future Jobs Fund has been cut by the Government.

12. Darlington's Job Seeker's Allowance (JSA) claimant rate has marginally decreased from 5.4 per cent in March 2010 to 5.0 per cent in May 2010 with 3,018 registered JSA claimants. There are 158 less claimants than April 2010. Darlington's rate has, however, increased at a slower rate than the rest of Tees Valley over the last 12 months. Darlington's March 2010 rate is 1.1 per cent below the Tees Valley average of 6.1 per cent. Darlington's rate is equal to the North East average of 5 per cent and has maintained its relative position to the national rate of 1.1 per cent above the national average. It is not yet clear what the impact will be on the Darlington economy of future cuts in public sector jobs.
13. The Tees Valley Unlimited (TVU) Statement of Ambition, sets out our vision for the economy of the Tees Valley for the next 15 years, taking forward the work of the Tees Valley Vision and City Region Business Case. The role of Darlington as the gateway to the Tees Valley City Region remains a crucial factor in delivering the Statement of Ambition, and approval was given to it by Cabinet, as a basis for wider consultation with TVU partners and for developing the Tees Valley Investment Plan.
14. The partners of TVU have carried out a review, looking at its role, purpose and structure. As a result of this review, TVU will operate at a higher level, with specific focused objectives on shaping high level strategy, programme development, defining the phasing and scale of activity and commissioning delivery. It is anticipated that the costs associated with the new TVU will be at least 15 per cent less than the current Tees Valley joint arrangements, and the cost of the new Managing Director, will be met within that reduced budget.
15. Discussions are also taking place with regional and Tees Valley partners on mechanisms to continue to promote the economic development of North East England, and on the creation of Local Economic Partnerships, following the decision by the Government to disband One NorthEast and other regional development agencies.
16. Reports were also considered by Cabinet on proposed changes to the Tees Valley Mineral and Waste Planning Documents and on the key planning policies and proposals contained within the Darlington Local Development Framework Publication Draft Core Strategy, at its meeting held on 13th July, 2010. As both these reports would affect the Council's policy framework, they were recommended to Council for consideration, and those reports can be seen elsewhere on this agenda.

Planning

17. Following consideration of a report by Council at its meeting held on 18th March, 2010, a system has been introduced, to enhance the role of Members in the planning process. This process will enable Members, and local residents, to be involved in the pre-application processes of significant planning applications, where early involvement can most influence development outcomes.

Town Centre

18. I chaired the meeting of the Town Centre Board held on 20th July, 2010, at which Board Members gave feedback on current trading within the Town Centre. In addition to this a report was considered on the Monday Outdoor Market and update reports were received on the work of the Town Centre Management Team and the Darlington Town Centre Traders' Association.
19. Closed Circuit Television (CCTV) Cameras have been installed in two of Darlington's Town Centre Yards, extending coverage of the town's CCTV system. It is hoped that the installation of the cameras in the Yards will increase security and encourage new businesses to open. The Yards are a valuable asset to the town centre and add to the town's vibrancy and mix of independent and national shops.
20. The last in a series of three television advertisements promoting Darlington Town Centre were broadcast during June, concluding the 'darling' trilogy of adverts, which have seen the town promoted through the eyes of a young couple, and their family, as they prepare for their wedding. It is pleasing to note that local businesses reported an increase in turnover following the promotion of the town in this way.
21. Phase III of 'Art in the Yards' was launched on Tuesday, 22nd June, 2010. 'Art in the Yards' is a collaborative project between the Town Centre Management Team and the Queen Elizabeth Sixth Form College, which began in 2008. Work from students studying for the BTec Diploma in Foundation Studies in Art and Design have created original artwork which has been installed in Buckton's and Clark's Yards to add colour and interest into these historic parts of the Town Centre. It is pleasing to note that the 'Art in the Yards' project is attracting visitors to the town centre, with two coach trips from Brighton recently stopping in the town to visit the area.
22. The business case for the Tees Valley Retail Skills Academy has now been presented to the National Skills Academy Board and was approved on the 29th June. A meeting has taken place between the chosen main provider for the Academy, Jigsaw, and the Manager of Binns. This has resulted in the project being taken forward and it is now sincerely hoped, by all parties, that the Academy will be housed in the Binns Department store in Darlington Town Centre. Redcar and Cleveland Council, our partner in this venture, are dealing with Jigsaw independently. The Tees Valley Academy Board and two Steering Groups, one for Darlington and one for Redcar & Cleveland, are being organised. It is hoped that the Academy in Darlington will be ready to open its doors by September 2010.

Business Engagement

23. **Events & Seminar Programme** – The fourth workshop in the ‘Bite Size Business Basics’ series took place on 6 July – ‘*Crucial Customers*’. The workshop focussed on the significance of giving exemplary customer service across all business sectors and showcased the ‘Customer First’ accreditation. Due to demand from local businesses a third session of the ‘*Supplying the Public Sector – Simplified*’ workshop took place on 8 June – these sessions provide ‘hands-on’ practical advice around forms and processes for submitting a tender to the public sector. The ‘*Flipchart Roadshow*’ – an interactive business to business ‘inter-trading’ exhibition was held on 26 May at Evans Easyspace and attracted 39 exhibitors and 54 attendees. ‘*Establish Your Internet Presence – Quickly and Easily*’ took place on 24 June. This seminar explained how to harness the power of the Web for business, whether just starting out or already managing multiple websites. The workshop was presented by Patrick Masheder of Real Results Marketing.
24. **Future Jobs Fund** - 57 job opportunities were created in the initial Darlington bid and to date 54 have been successfully filled (although 17 are presently subject to CRB checks and/or references). Job starts will continue over a 6-month period across a range of host organisations. A further successful bid was submitted for an additional 46 jobs, with a funding allocation of £299,000 (see paragraph 11 above). A Future Jobs Fund ‘Jobs Fair’ event was held on 1 July where applicants had the opportunity to be interviewed by prospective employers for a number of jobs contained within this second bid.
25. **Enterprise Coaching** - Our newly appointed, externally funded Enterprise Coach has now started in post and already is working with individuals in selected communities across Darlington to look at their skills, hobbies and aspirations and whether there is the potential to turn these into viable businesses. We have been successful in securing European funding, which matched with BAT Legacy monies, will enable us to offer this service, which will run until March 2013. Further information on this service will be made available through specific community venues.
26. **Business Information Guide refresh** - June saw the launch of the annual refresh of the Darlington Business Information Guide. The Guide was initially produced in hard copy format back in Summer 2008 and was hand delivered to businesses across the Borough. The Guide itself is a key information tool, providing businesses with details of the support available to them from Darlington Borough Council and other partner organisations that operate within business support within Darlington. Each year an electronic update is produced which is emailed out to businesses. The update includes revisions, which businesses can store electronically, or if they prefer, they can print out the revised pages and insert within their existing Business Information Guide folder.
27. **Proactive Visits to Businesses** - During June and July, the Business Engagement team have been proactively calling on businesses at their premises in order to gauge the health of the local economy; to take enquiries from businesses and also to distribute the final printed edition of the Inter-Face business newsletter. Future editions of the newsletter will be sent electronically via email – helping to reduce our carbon footprint and costs.
28. **Business Enterprise North East** – I recently met with the Chief Executive and the Director of Information of Business Enterprise North East (the parent company of Business

Link North East) to explore how we might work more collaboratively together. One potential area of focus may be the provision of support to encourage the creation of social enterprises.

29. **The Forum/Humantics** – I, together with Council Officers, have been in close contact with the board of Humantics, the company looking to take over the running of The Forum, to see if we can help The Forum over its financial difficulties and help Humantics avoid The Forum's intention to close and to create a more secure future. Cabinet, at its meeting on 13 July, agreed a framework for taking forward support for Humantics.

John Williams
Leader and Economy Portfolio