

Departmental Quarterly Monitoring Report

<u>Directorate:</u>	Environment & Economy
<u>Department:</u>	Employment, Economic Regeneration & Business Development
<u>Period:</u>	Quarter 2 - 1 st July – 30 th September 2010

1.0 Introduction

This quarterly monitoring report covers the Employment, Economic Regeneration & Business Development Department second quarter period up to 30th September 2010. It describes key developments and progress against 'key' milestones and performance indicators for the service.

The way in which the traffic lights symbols and direction of travel indicators have been used to reflect progress to date is explained within Appendix 8.

2.0 Key Developments

Castlefields

- CPO of the existing local shopping centre; full and final settlement figure of £908,750 agreed avoiding Lands Tribunal and the fees associated with this.
- Stage 2 Board Approval granted for the £4 million new Health Centre on 21st September 2011.

3MG

Three large scale enquiries are being progressed.

Widnes and Runcorn Town Centre

A number of improvements have been approved. In Runcorn this includes demolition and landscaping of the former gas show rooms, development of car park by the bus station, new signage, replacement of bins, repainting of bollards/railings and columns. In Widnes it includes new benches, new bins, new signage, removal of the gazebo and shop front grants.

External Funding

- The team has helped secure funding to the value of £272,731 made up of 13 grants. Examples include £67,000 from Esmee Fairbairn for Halton Carers Centre; £24,000 from Lloyds TSB Foundation for Halton Community Transport; £50,089 from BIFFA for Hale Youth Centre.
- This quarter has been one of the highest for new Funding Enquiries with 54. The majority have come from the voluntary/community sector 25 with HBC requests totalling 14.

Inward Investment and Business Support

- The overall level of inward investment enquiries remains depressed in comparison with previous years. In the current reporting period a number of major redundancies have been announced in the Borough, for example at DHL in Runcorn.
- Working in partnership with Liverpool Vision, Halton Chamber of Commerce and Enterprise and the Halton Enterprise Board, businesses in the borough were approached to see how many would be interested in attending the Shanghai World Expo 2010. Five local companies were identified who expressed an interest and three elected to join a UKTI mission to Shanghai and Chengdu and began to work closely with UKTI\CBBC to ascertain their individual needs and to develop a comprehensive market intelligence and research brief to ensure that they maximised the benefits from their visit to China. Two companies subsequently dropped out of the trade mission citing difficult trading conditions in the UK market. However, Transact Engineering Ltd is part of the UKTI mission to Shanghai and Chengdu while a further Halton company, Regionplus Ltd, will attend the World Expo in Shanghai.

Business Improvement Districts

The newly appointed Business Parks Officer has made considerable progress with the delivery of the 2010\2011 programme of initiatives at Astmoor and Halebank Industrial Estates together with the resurrection of the Widnes Waterfront Business Steering Group. New initiatives include a wholesale review of, and improvements to, the estate wide security systems, improved landscape maintenance, better networking and business support within the estates and measures to tackle specific issues and neighbour disputes within the estate.

3.0 Emerging Issues

North West Development Agency

The announcement of the abolition of the NWDA by the coalition government will have a profound impact upon the delivery of economic regeneration across the region. A number of programmes funded by the NWDA which are accessed by Halton companies have already been suspended, for example the High Growth Programme and the Innovation Vouchers scheme, and will cease unless alternative funding is found.

More directly The Mersey Partnership (TMP) has announced that, as a consequence of reduced funding from the NWDA, both the Investment and Tourism Team will be curtailed resulting in a number of redundancies. Key individuals with whom the council work on a regular basis with respect to individual inward investment projects are scheduled to leave. Similarly, the Liverpool City Region Investor Development Programme which is funded by the NWDA and delivered by TMP, while funded until 2012, will see a considerable budget reduction which will impact upon the delivery of the programme in Halton and may see the loss of a TMP secondee based at the Municipal Building with the council Business Development Team. This post is particularly important in that it has responsibility for the Borough's portfolio of large and foreign owned companies.

Regional Growth Fund

This new funding stream has been announced by the government. Details are scant but it is known it will last for two years, will amount to £1Bn for the whole country and bids must be for a minimum of £1m. It is to be focused on enabling private sector spend and job creation. Submissions are being coordinated for the city region by the Mersey Partnership. Halton has submitted four bids to date -

- 3MG £9m
- Daresbury Science and Innovation Campus £1,056,750
- The Heath Business and Technical Park £1m
- Widnes Waterfront £2m

4.0 Service Objectives / milestones

4.1 Progress against 'key' objectives / milestones

Total	16		12		4		0
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For further details please refer to Appendix 1.

Due to uncertainties around funding from North West Development Agency (NWDA) and the European Regional Development Fund (ERDF) certain projects, such as the Local Economic Assessment, are on-hold.

4.2 Progress against 'other' objectives / milestones

Total	0		0		0		0
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There are presently no objectives/ milestones of this type identified for this service.

5.0 Performance indicators

5.1 Progress Against 'key' performance indicators

Total	1		1		0		0
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For further details please refer to Appendix 3.

5.2 Progress Against 'other' performance indicators

Total	5		3		1		0
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For further details please refer to Appendix 4. Please note that the total also includes 1 indicator for which information is currently unavailable.

6.0 Risk Control Measures

Please see Appendix 5.

7.0 Progress against high priority equality actions

There are no High Priority Equality Actions for this area.

8.0 Data quality statement




The author provides assurance that the information contained within this report is accurate and valid and that every effort has been made to avoid the omission of data. Where data has been estimated, has been sourced directly from partner or other agencies, or where there are any concerns regarding the limitations of its use this has been clearly annotated.

9.0 Appendices


- Appendix 1 Progress Against 'key' objectives / milestones
- Appendix 2 Progress against 'other' objectives / milestones
- Appendix 3 Progress against 'key' performance indicators
- Appendix 4 Progress against 'other' performance indicators
- Appendix 5 Progress against risk control measures
- Appendix 6 Progress against High Priority Equality Actions
- Appendix 7 Financial Statement
- Appendix 8 Explanation of use of symbols

Appendix 1: Progress Against 'key' objectives / milestones

Ref	Objective
EEB 1	Promote economic diversity and competitiveness within an improved business environment.

Milestones	Progress Q 2	Supporting Commentary
Develop Science, Technology and Advanced Manufacturing sectoral action plan (following on from final PPB topic group report) by Dec 2010		The Skills for the STAM Sector Group met in Q2 and updated the Action Plan. New actions will be added to the action plan for Q3 and Q4 and these will focus on rolling out the use of the Routeway across agencies in the borough including schools, Connexions and HBC.
Deliver BID Year 3 action plan by Mar 2011		All elements of the BID Year III Action Plan on programme and on budget
Complete Local Economic Assessment by Mar 2011		TMP are leading at a sub-regional level with respect to the formulation of the LCR LEA. MIS are currently auditing all datasets across the LCR. However, uncertainty remains regarding the funding, and therefore the scale of the project, following the loss of NWDA funding.

Ref	Objective
EEB 5	To implement a regeneration plan for the Widnes Waterfront in accordance with the NWDA Performance Plan resulting in 44 ha. of regenerated land on the Widnes Waterfront.

Milestones	Progress Q 2	Supporting Commentary
Implementation proceeding in accordance with the NWDA performance Plan 10/11 (to be approved April 2010). This will set out the commitment of Halton's Urban Renewal Partnership (URSSP) to		Due to changes and significant funding cuts across the NWDA budget the performance plan has not been approved yet. However, it has confirmed that funding requested for the leisure development is not available. Other ways of delivering the project are being explored.

Appendix 1: Progress Against 'key' objectives / milestones




deliver a set of projects funded by the NWDA. Mar 2010.		
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Ref	Objective
EEB 6	To implement the Bayer Crop Science site regeneration in accordance with the NWDA grant funding agreement and the agreed Forward Strategy resulting in the regeneration of 40 acres of brownfield land at the Widnes Waterfront.


Milestones	Progress Q 2	Supporting Commentary
Secure ERDF funding and deliver site infrastructure project by Dec 2010	?	Conclusion reached that due to project timescales it will not be possible to utilise ERDF directly. However, the project is identified as one possible scheme for the North West JESSICA funding stream that is under development that will draw down ERDF when it does go live.
Take vacant possession of the Bayer site Mar 2011	<input checked="" type="checkbox"/>	Completed May 2010
Complete site remediation strategy by Mar 2011	<input checked="" type="checkbox"/>	On Target

Appendix 1: Progress Against 'key' objectives / milestones


Ref	Objective
EEB 7	To implement a regeneration plan for Castlefields according to the Castlefields Team Plan and Regeneration Masterplan resulting in the delivery of The Masterplan's vision of an holistically improved estate.

Milestones	Progress Q 2	Supporting Commentary
Implementation according to Masterplan Phase 2: Commence construction of the Village Square Phase 2 Mar 2011 .		Construction commenced on the substructure of blocks A&B (retail and residential). The programme has slipped marginally due to extensive service diversions with anticipated completion Summer 2011. The Health Centre is due to complete December 2011.
Prepare bid for phase 3 funding of the RSL housing renewal. Mar 2011		Bid submitted to the HCA for a further £3,096,000 to enable the demolition and redevelopment of Woodlands Walk, King Arthurs Walk and Merlin Close. Awaiting response from HCA, this has been delayed due to Coalition Government budget reviews.
Market Lakeside (subject to market review) Sep 2010		Market review underway. Opportunities to be seized as they arise.


Ref	Objective
EEB 8	Monitor investment levels in the three town centres in order to comply with Community Plan objectives (see Team Plan) and ensure a continued improvement in the quality of Halton's town centres.

Milestones	Progress Q 2	Supporting Commentary
Ensure continued investment in town centres of at		Further retail investment in Widnes is presently going through the planning system.



Appendix 1: Progress Against 'key' objectives / milestones

least £1 million per annum. Mar 2011.		
Owing to the economic recession, review the feasibility of the Canal Quarter development to achieve the Community Plan objectives and obtain improved facilities in the area. Mar 2011.		This is under review and will be informed by the Masterplan exercise being undertaken on Runcorn TC. In the meantime a programme of improvements has been approved for implementation this financial year.


Ref	Objective
EEB 9	Reclamation of contaminated and derelict land, including the 48 hectare St.Michael's Golf Course to produce a safe and attractive replacement course.

Milestones	Progress Q 2	Supporting Commentary
Phase 2, the remediation of the golf course is to be completed by the end of Mar 2011.		Phase 1 scheduled to complete late October and is on target to achieve this milestone.

Ref	Objective
EEB 10	To implement a regeneration plan for 3MG (Ditton Strategic Rail Freight Park) resulting in the creation of a regionally-significant rail freight park.

Milestones	Progress Q 2	Supporting Commentary
Subject to market testing, the disposal of Halton Borough Council Field Mar 2011.		The Council has identified a preferred development partner and is making progress through the legal documentation.
The provision of associated infrastructure, such as rail sidings Mar 2011.		The infrastructure associated with HBC Fields will be tied up in the development agreement and undertaken by the developer.



Appendix 1: Progress Against 'key' objectives / milestones

Complete the second phase of warehouse development on Stobart land and the improvements to Ditton Brook Mar 2011 .		Stobart are continuing to work with potential end users to bring about the second phase of development.
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Appendix 2: Progress Against 'other' objectives / milestones






Ref	Objective
There are presently no objectives / milestones of this type identified for the service.	

Appendix 3: Progress Against 'key' performance indicators



Ref	Description	Actual 2009/10	Target 2010/11	Quarter 2	Current Progress	Direction of Travel	Supporting Commentary
Service Delivery							
<u>EEB</u> <u>LI17</u> Previously MP LI14	3MG: Outputs as set out in Masterplan (% achieved)	100	100	50			The scheme is on target in accordance with the Masterplan and there are no issue to raise at present.

Appendix 4: Progress Against 'other' performance indicators



Ref	Description	Actual 2009/10	Target 2010/11	Quarter 2	Current Progress	Direction of Travel	Supporting Commentary
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Service Delivery							
EEB LI11 Previously MP LI4	Local business premises improved	10	10	0			Money has been allocated to other activity in the town centres.
EEB LI12 Previously MP LI6	Land reclamation programme (acres)	10	10	0			Reclamation of Golf Course is on track and due to complete in qtr3. Future update to be provided. Golf course when completed is 76 acres.
EEB LI13 Previously MP LI11	Outputs as set out in Bayer Forward Strategy (% achieved) To be agreed by NWDA	100	100	50%		N/A	Site investigation completed Water monitoring ongoing On target
EEB LI14 Previously MP LI15	Widnes Waterfront Programme: Outputs as set out in the Northwest Development Agency Performance Plan (% achieved)	100	100	Refer to comment	N/A	N/A	Inlight of the funding reductions and the proposed closure of the NWDA, discussions are currently ongoing regarding the revisions to the Widnes Waterfront Performance Plan. The recently published whitepaper will provide further clarification on how the programme will be delivered within the region.

Appendix 4: Progress Against 'other' performance indicators

Ref	Description	Actual 2009/10	Target 2010/11	Quarter 2	Current Progress	Direction of Travel	Supporting Commentary
EEB LI15 Previously MP LI12	Castlefields Regeneration: Outputs as set out in Masterplan Phase 2 & SPD (% achieved)	100	100	45			The wider Programme is progressing well, however, the disposal of the two major sites have been put on hold due to the economic climate and will be reviewed in 6 months.

Appendix 5: Risk Control Measures

Ref	Risk Identified	Treatment Measure	Progress	Supporting Commentary
ER 1	Impact of the global recession on local business	Increased emphasis on business aftercare and the dissemination of inform to the business community		Changes to business support programmes still yet to be made clear by government. When it is clear we can explain to businesses what is available in the future.
ER 2	Impact upon service provision of anticipated reduction in core funding	Review and evaluation of non-essential service delivery		The government has recently announced a couple of proposed changes to the legislation which will have an impact on the service delivered by the department.

Appendix 6: High Priority Equality Actions

Ref	Service Area	High Priority Action	Progress	Supporting Commentary
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There are no High Priority Equality Actions for this area.

Appendix 7 Financial Statement

EMPLOYMENT, ECONOMIC REGENERATION & BUSINESS DEVELOPMENT **Revenue Budget as at 30th September 2010**

	Annual Budget £'000	Budget To Date £'000	Actual To Date £'000	Variance To Date (Overspend) £'000	Actual Including Committed Items £'000
Expenditure					
Employees	4,868	2,522	2,370	152	2,379
Repairs & Maintenance	2,676	1,600	1,545	55	2,475
Energy & Water Costs	830	678	612	66	817
NNDR	836	836	923	(87)	923
Rents	1,054	263	263	0	263
Marketing Programme	44	22	12	10	13
Promotions	19	3	3	0	5
Development Projects	49	19	19	0	37
Supplies & Services	1,194	435	427	8	858
Agency	196	19	23	(4)	58
Capital Financing	-240	0	0	0	0
Asset Charges	1,657	0	0	0	14
Total Expenditure	13,183	6,397	6,197	200	7,842
Income					
Rent – Markets	-867	-433	-445	12	-445
Rent – Industrial Estates	-979	-489	-465	(24)	-465
Rent – Commercial	-519	-260	-236	(24)	-236
Sales	-3	-1	-5	4	-5
Fees & Charges	-332	-159	-175	16	-175
Reimbursements	-437	-95	-90	(5)	-90
Government grants	-822	-719	-729	10	-729
Recharges to Capital	-700	-113	-75	(38)	-75
Total Income	-4,659	-2,269	-2,220	(49)	-2,555
Net Controllable Expenditure	8,524	4,128	3,977	151	5,287
Recharges					
Premises Support	7	0	0	0	0
Office Accommodation	36	0	0	0	0
Property Recharges	568	0	0	0	0
Transport	68	34	27	7	27
Central Support Services	0	0	0	0	0
Departmental Support Services	0	0	0	0	0
Accommodation Recharge	-752	0	0	0	0
Support Service Recharge	-1,232	-335	-335	0	-335
Repair & Maintenance Recharges	-39	0	0	0	0
School's SLA Income	-676	-676	-755	79	-755
Internal Fees (Schools)	-76	-19	-19	0	-19
Net Total Recharges	-2,096	-996	-1,082	86	-1,082
Net Departmental Total	6,428	3,132	2,895	237	4,540

Appendix 7 Financial Statement

Comments on the above figures:

In overall terms revenue spending to the end of quarter 2 is under budget.

Regarding expenditure, employee costs are under budget for the period, which is mainly due to vacancies that exist within the Enterprise & Employment Team. Also, external funding is being used to fund some posts.

Energy and Water costs are falling due to the negotiation of new contracts and potentially there may be a saving on this account.

NNDR expenditure is over budget for the period which is due to the Council incurring charges for a number of recently purchased vacant industrial units. Runcorn Town Hall, Rutland House and Grosvenor House have also recently had rates reviews which have resulted in NNDR charges increasing on these buildings.

Regarding income, rent from Industrial Units is below budget for the period which again is due to a significant number of vacant units. This will be monitored closely however it is anticipated at this stage that there will be a shortfall in income on this account.

At this stage, it is anticipated that overall revenue spending will be within departmental budget by year-end.

Appendix 7 Financial Statement

EMPLOYMENT, ECONOMIC REGENERATION & BUSINESS DEVELOPMENT

Local Strategic Partnership Schemes as at 30th September 2010

	Annual Budget	Budget To Date	Actual To Date	Variance To Date (Overspend)	Actual Including Committed Items
	£'000	£'000	£'000	£'000	£'000
Employment Outreach	60	30	35	(5)	35
Prescription for Advice	40	20	0	20	0
Halton ILM/Stepping Stones	160	80	35	45	35
Enterprise Development	386	193	115	78	115
Enhanced Debt Advice	40	20	0	20	0
Supported Employment	106	53	60	(7)	60
Nbr'hood Employment Officers	252	126	66	60	66
Links 2 Work	25	12	14	(2)	14
YMCA Skills for Life	30	15	8	7	8
Inspiring Women	13	6	5	1	5
Graduate Work Experience	49	24	1	23	1
NEET Employers	36	18	-17	35	0
Foundation Employment	28	14	0	14	0
Pre-level 2 Provision	288	144	43	101	43
Halton Employment Partnership	899	449	382	67	382
Apprenticeship Support	258	129	60	69	60
Business Parks Imprvmts	19	9	2	7	2
Partnership Co-ordinator	20	10	8	2	8
Total Expenditure	2,709	1,352	817	535	834

Appendix 7 Financial Statement

Comments on the above figures:

Local Strategic Partnership (LSP) funding spending to the end of quarter 2 is below budget profile.

Regular monitoring reports are sent to the LSP in respect of all LSP projects and any areas of concern are dealt with throughout the year by the LSP support team and individual project managers. Some variances against the budget are expected, as the LSP have deliberately over-programmed in order to ensure that the full allocation of Working Neighbourhood Fund grant is spent during the year.

Appendix 7 Financial Statement

EMPLOYMENT, ECONOMIC REGENERATION & BUSINESS DEVELOPMENT

Capital Projects as at 30th September 2010

	2010-11 Capital Allocation £'000	Allocation To Date £'000	Actual Spend To Date £'000	Total Allocation Remaining £'000
<u>Multi-Funded Projects</u>				
Widnes Waterfront	1,095	221	78	1,017
Castlefields	3,138	566	566	2,572
3MG	373	135	135	238
<u>LSP (Urban Renewal) Projects</u>				
Property Purchase	147	0	0	147
Contaminated Land	95	47	17	78
<u>HBC Projects</u>				
Venture Fields	3,420	0	0	3,420
Muni Building Refurb	2,469	600	377	2,092
Runcorn TH Refurb	11	2	2	9
Council Chamber Refurb	100	0	0	100
Golf Course	2,255	852	1,144	1,111
Disabled Access	200	48	54	146
Total Capital	13,303	2,471	2,373	10,930




Appendix 7 Financial Statement

Comments on the above figures:

With regard to the three programmes detailed under the Multi Funded Projects header, there is continued change to the programmes and the costings/funding allocations are being continually updated.




Appendix 8 Explanation of Symbols

Symbols are used in the following manner:

Progress		<u>Objective</u>	<u>Performance Indicator</u>
Green		Indicates that the <u>objective is on course to be achieved</u> within the appropriate timeframe.	<i>Indicates that the annual target <u>is on course to be achieved</u>.</i>
Amber		Indicates that it is <u>uncertain or too early to say at this stage</u> , whether the milestone/objective will be achieved within the appropriate timeframe.	<i>Indicates that it is <u>uncertain or too early to say at this stage whether the annual target is on course to be achieved</u>.</i>
Red		Indicates that it is <u>highly likely or certain</u> that the objective will not be achieved within the appropriate timeframe.	<i>Indicates that the target <u>will not be achieved unless there is an intervention or remedial action taken</u>.</i>

Direction of Travel Indicator

Where possible performance measures will also identify a direction of travel using the following convention

Green		<i>Indicates that performance is better as compared to the same period last year.</i>
Amber		<i>Indicates that performance is the same as compared to the same period last year.</i>
Red		<i>Indicates that performance is worse as compared to the same period last year.</i>
N/A		<i>Indicates that the measure cannot be compared to the same period last year.</i>