



A SCRUTINY REVIEW OF ECONOMIC REGENERATION IN CALDERDALE

**FINAL REPORT OF THE ECONOMY & ENVIRONMENT
SCRUTINY PANEL**

FEBRUARY 2014

Contents

<u>Section</u>	<u>Page</u>
Chair's Foreword	3
Background and evidence Sources	4
Current Context	5
Current and Planned actions	6
What extra we can do - Our recommendations (Appendix 1)	13
Acknowledgements (Appendices 2-4)	15

FOREWORD

Councillor Scott Benton

I am pleased to present this report of the Economic Regeneration Detailed Scrutiny Review Group.

The main reason the Scrutiny Panel chose to look at the subject of economic regeneration in the Borough initially arose from discussions during the Panel's review of its work plan in January, 2013. At that time, Members were of the opinion that a review of the Council's economic regeneration activity would be useful to establish reasons for the projected overspend within that part of the budget; what the budget was achieving; regional connections; and the work of the Economic Taskforce and Local Enterprise Partnership's (LEP's) implications.

The Panel subsequently drew up some draft terms of reference for such a review, however a decision was then taken to postpone the commencement of the review until the start of the new Municipal Year when the membership of the Scrutiny Panel was known.

The newly appointed Panel Membership duly determined to undertake this review, and in doing so, felt the work was so important as to appoint the whole membership of the Scrutiny Panel to also serve as the members on the Economic Regeneration Detailed Scrutiny Review Group.

The Review Group held its first meeting in August, 2013 and during the course of our work, amongst other things, we have looked closely at and fed back our comments, as a consultee, on the draft Business and Economy Strategy 2014-2020. In addition, we have also researched other significant pieces of information as part of our review, including the Calderdale District Employer Survey 2013 research report undertaken by bmg research and prepared for Calderdale Council; along with the Portas review – an independent review into the future of our high streets, December, 2011.

This report, which sets out our findings in relation to Economic Regeneration in Calderdale, also makes recommendations for consideration by the Cabinet Member, Economy and Environment / Director Economy and Environment and/or other bodies as appropriate.

I would like to thank all members of the detailed review group for their time, energy and contributions in undertaking this review and to the scrutiny officers for their commitment and hard work they have put into this exercise. A big 'thank you' as well to Officers' in the Council, particularly in the Economy and Environment Directorate for providing much of the technical information.

Councillor Scott Benton

Scott Benton Chair, Economy and Environment Scrutiny Panel and
Economic Regeneration Detailed Scrutiny Review Group

1 BACKGROUND

1.1 Working Party objectives

The Economy and Environment Scrutiny Panel had originally agreed to establish a detailed scrutiny review group during the 2012/13 Municipal Year. The work did not, however commence until the appointment of the Panel Membership for the 2013/14 Municipal Year, when the terms of reference for the review were revisited and objectives refined to focus on:

- Current context;
- Current and Planned actions;
- What extra we can do?

1.2 Membership

The membership of the detailed Scrutiny Review group comprised all Members of the Economy and Environment Scrutiny Panel.

1.3 Background and Evidence Sources

The Scrutiny Review was established by the Economy and Environment Scrutiny Panel.

During the course of our review, we received a considerable amount of background information / witness evidence from Economy and Environment Directorate Officers, the Director and the Portfolio Holder, along with further contributions from colleagues in the Council's Corporate Asset and Facilities Management (CAFM) and Human Resources (HR) teams, along with our Scrutiny Support team.

External witness evidence submitted included written submissions from Job Centre Plus and C&K careers on apprenticeships and the attendance at a Review group meeting of a Town Councillor representing Hebden Royd Town Council on the subject of the 'Future of the High Street'.

Two members of the group attended the business breakfast event held at Bertie's in Elland on 21st October 2013 where the consultation on the draft Calderdale Business and Economy Strategy was launched and took the opportunity to talk with some of the business representatives at the event.

We also researched and referenced information sourced locally, regionally and nationally in the context of economic regeneration.

2 CURRENT CONTEXT

- 2.1 Initially, at our first meeting on 29th August 2013, we gave consideration to the methodology we would use in undertaking this piece of work by reviewing and refining our terms of reference. This included identifying key stakeholders; internal capacity; the nature of businesses in Calderdale; the impact of national policies, e.g. on Young People; apprenticeships; the Calderdale District Employer Survey 2013 research report; and the emerging Leeds City Region (LCR) agenda.
- 2.2 The Review Group has been acutely aware of the overall budgetary pressures on the Council, which needs to be balanced with fit for purpose structures and efficient and cost effective service delivery, both within the council as a whole, the Economy and Environment Directorate generally, and specifically the capacity and structure within the Business and Economy service within the Directorate.
- 2.3 We identified the need for a review of the Council's economic regeneration activities in January 2013 and to assist the Review Group in its deliberations, the Group, at the request of the Chair, was provided with copies of the Economy and Environment Directorate's structure charts. In addition, we recognised the need for the capacity and structure of the Business and Economy Service to be reviewed and restructured to enable it to meet Calderdale's ambition and aspirations for Business and Economy in the Borough in the future.
- 2.4 In respect of structures, we took the opportunity at our October 2013 meeting to question the Cabinet Member, Economy and Environment Directorate when scrutinising the Cabinet (exempt) report outlining the controlling group's vision for the Business and Economy Service in Calderdale. The report proposed some re-working and enhancement of capacity in the Council's Business and Economy team and the Officer resource against Cabinet's key strategic themes for its ambition for Business and Economy in the Borough.
- 2.5 We also took a detailed look at Apprenticeships, both within the Council and in Calderdale generally, and looked at apprenticeship opportunities and funding provision for those young persons aged 16-24 years of age and for those persons over the age of 25.
- 2.6 Another key area we were keen to look into as a group was on the Future of the High Street. We were aware of the Portas review findings on the future of the High Street and also looked at the Calderdale District Employer Survey 2013 research report undertaken by bmg research and prepared for Calderdale Council.

3 CURRENT AND PLANNED ACTIONS

Business and Economy Team structure

- 3.1 Arising from consideration of the Economy and Environment Directorate structure generally, and specifically, the capacity and structure within the Business and Economy section of the Directorate, (as outlined at paragraph 2.2 of this report), the Review Group questioned the Portfolio Holder and Director, Economy and Environment Directorate on their rationale and reasoning behind the restructuring proposal for the Business and Economy service team.
- 3.2 As a Review group, we concurred that the changes to the Business and Economy service team were necessary and appropriate, as outlined and reasoned in the Cabinet report, and we supported these changes as a way forward.
- 3.3 We enquired how the new structure would deliver the outcomes and expectations of the Council's Business and Economy Strategy and found that the new structure had been designed specifically to deliver the outcomes and expectations of the Council's Business and Economy Strategy in line with the report which had been approved by both the Economic Task Force and Cabinet. Also included in the strategy were ten ambitious performance targets ranging across new job creation; reduction in benefit claiming; increased apprenticeships; building up relationships with key business accounts; bringing additional floor space into use; and assistance with developing export markets.
- 3.4 It was explained by the Portfolio Holder that in order to achieve across such wide-ranging areas of work, clear leadership was required and that is why a new leadership post for the Business Support Team was to be created and funded through the proposals. The extra funding would also provide a resource for three new Principal Officers posts – the first post dealing with the unlocking of development sites and bringing them into use; the second post organising a rigorous approach to key account management / business liaison; and the third post providing high quality advice for people setting up new businesses, the funding being focused directly at the key objectives of the new Business and Economy Strategy.
- 3.5 Other suggestions arising from the review group included the potentially more active role that all Members of Council could play as part of their day to day role within their wards, whether it be by promoting economic regeneration in the Borough generally and/or by encouraging businesses to look at working with the Council, particularly supporting any businesses considering offering opportunities for apprenticeships as an example. Any improvements to transport links, especially improvements to the Caldervale rail line were seen as been beneficial to many businesses in the Borough.

Calderdale MBC Draft Business and Economy Strategy 2014-2020

- 3.6 During the course of our review, we invited the Portfolio Holder and the Director, Economy and Environment Directorate, to an evidence gathering session which we held in order to for them to outline to us the Calderdale MBC draft Business and Economy Strategy 2014-2020, which had been approved by Cabinet for extensive consultation in October 2013.
- 3.7 We were informed that much of the funding that was available to support businesses came from external sources and we explored the roles of Local Enterprise Partnership's (LEP's); regional funding sources; Leeds City Region (LCR); and European Regional Development funding (ERDF).
- 3.8 The Head of Housing, Environment and Renewal kindly provided us with a comprehensive overview of the draft strategy document which had been arranged around the following six key themes: Key account management; Site unlocking; Enterprise culture; Employability; Marketing Calderdale; and Financial Resilience.
- 3.9 We found that the above key themes reflected the aspirations of the Calderdale Economic Task Force and were a general reflection on strengths and weaknesses in Calderdale's offer to businesses. The themes also reflected work already underway, for example through Calderdale's Employment and Skills Board.
- 3.10 Underpinning the strategy was Calderdale's recent District Employer Survey 2013. The survey had been commissioned jointly with Kirklees and Wakefield Councils and a summary comparison report had been shared between the three local authorities. The Review Group had examined this report as part of our research.
- 3.11 A "Business Breakfast" event, as part of the wide ranging consultation on the draft business and economy strategy 2014-2020 was held in October, 2013. The event was attended by two Members of the review group.
- 3.12 We found that other consultation methods on the draft Business and Economy Strategy 2014-2020 with the approximate 8,000 businesses in Calderdale included the use of the "Calderdale Engage" website and an E-questionnaire.
- 3.13 We were informed that the results of the consultation are expected to be reported back to Cabinet in early 2014.

Skills, Young People and Apprenticeships in Calderdale

- 3.14 We took a detailed look at skills, young people, and apprenticeships in Calderdale, and also, as part of our more detailed research, examined the funding, opportunities, advice and signposting available for those persons aged 25+ in the Borough who were considering or seeking apprenticeships.
- 3.15 As part of our research, we sourced central government statistics on the overall number of apprenticeships in the Borough and referenced both an internal position statement for young people and apprenticeships; along with a position statement on external apprenticeships / youth support provided by colleagues in the Council.
- 3.16 Internal research/evidence gathering interviews were held with the Portfolio Holder, Council Officers' in the Economy and Environment and Human Resources teams.
- 3.17 We also received written submissions on the position regarding opportunities and potential funding sources for apprenticeships aged 25+, sourced from Jobcentre Plus and C&K careers.
- 3.18 We found that opportunities for 25+ apprenticeships were available on the national apprenticeships website. However, there were not many opportunities available starting from scratch, and in reality, the majority of 25+ apprenticeships quoted in figures were already in employment and this had been arranged by their employers themselves.
- 3.19 As part of our research we looked at what the Council was doing, and considered and commented on two Cabinet Reports (November, 2013) on: Building Ambition – Double 2020! – Our Strategic Approach to apprenticeships; and - Youth unemployment.
- 3.20 Initially, we had considered asking Cabinet to look at putting a specific policy in place to support those aged 25+ seeking apprenticeships through signposting opportunities / funding where applicable. However, we first sought advice from the Council's Human Resource section and found that the Council's recruitment procedure was very strict and must adhere to the Equality Act 2010 where it cannot discriminate on age unless there is a specific exception. Unfortunately, we found that being over 25 and with not very much help/support available was a national problem, yet it still does not fit into this criteria and therefore the Council could not ring-fence any apprenticeships for any age group.
- 3.21 We did however find that Officers' were currently in the process of writing a Youth Strategy for apprenticeships and work placements etc and that they could possibly include something about signposting people in such a strategy.

3.22 We also enquired whether contractual relationships with any of our major partner employers did or could require them to employ a number of apprentices. We were informed that the Council's Procurement Strategy 2013-2015 (approved by Council at the end of November 2013) included the introduction of a Social Value Assessment for all projects exceeding EU thresholds. In addition, we understand a Council Priorities and Social Considerations Table is planned to be launched to help Officers in identifying suitable economic, social and environmental outcomes where appropriate for contracts valued over £60,000 and up to the EU threshold. This table would challenge officers to consider a range of wider benefits, one of which was the provision of apprenticeships, which would contribute to the economic, social and environmental wellbeing of the Borough. Consideration of the most appropriate economic outcomes would be done on a project by project basis, and the suggested outcomes would be designed to create long-term, sustainable benefits for residents.

3.23 We also heard from the Principal Officer, Skills and Employment, Economy and Environment Directorate about the role and purpose of a new team, known as the "Grow your Future" team. In 2010 Calderdale Council committed to halve youth unemployment from 1,800 to 900 in 2015 and this ambition had allowed the development of a broad range of pilot work to uncover the barriers and issues young people face, and that businesses perceive, about employing young people. The 'Grow Your Future' Team was formed within the Council's Business and Economy service to pursue this ambition. We also found that Leeds City Region (LCR) activity has also been integrated into the newly created team, and that the service had been undertaking LCR work since January 2013 e.g. "100in100" campaign; "5,3,1" business sign up, and the creation of the Apprenticeship Hub.

3.24 Following our detailed consideration of this matter on skills, young people and apprenticeships in Calderdale, and particularly in view of the lead the Council is taking through its "Building Ambition" programme in promoting the Double 2020! strategic approach to apprenticeships, we all felt that this was definitely an area which merited Councillor support and that it could be of real benefit to support apprenticeships through the appointment of a Member Champion.

Recommendation 1

That the Cabinet / Council be informed that the Review Group recommend that a Member Champion be appointed to champion apprenticeships (including 25+ age group apprenticeships)

Recommendation 2

That Cabinet is asked to consider putting specific guidance in place, to be included in the Youth Strategy for apprenticeships and work placements etc, in the support of those persons aged 25+ seeking apprenticeships through signposting opportunities and/or funding sources where applicable.

Recommendation 3

That, in respect of the Council's Procurement Strategy 2013-15 (see Paragraph 3.22 of this report), we are aware of the introduction of a Social Value Assessment for all projects exceeding EU thresholds, and we understand that a Council Priorities and Social Considerations Table is to be launched to help Officers in identifying suitable economic, social and environmental outcomes where appropriate for contracts valued over £60,000 and up to the EU threshold.

We actively encourage Cabinet to endorse and support the use of such a Table to challenge officers to consider a range of wider benefits, one of which is the provision of apprenticeships, which would contribute to the economic, social and environmental wellbeing of the Borough.

The future of the High Street

- 3.25 As a Group, we were very keen to investigate the key issues surrounding "the Future of the High Street".
- 3.26 In our initial research we looked at the Portas report and discussed the recommendations contained therein on the Future of our High Streets. We also examined and discussed the Calderdale District Employer Survey 2013 research report prepared for Calderdale Council undertaken by bmg research.
- 3.27 Further, as part of our research, we invited representatives from the Town/Parish Councils in the Borough to have the opportunity to share their views on the future of their own high streets.
- 3.28 We received "witness evidence" from a Town Councillor representing Hebden Royd Town Council. Advertising Signage / illegal advertising signage and the Council's policy on the display of banners; the impact of Community events (eg Totally Locally Christmas Festival); and the availability/cost of car parking were mentioned in the discussions. The unique nature of the "High Street" locality within the Hebden Royd Town Council area, with the many independent and niche shops that existed meant Hebden Bridge was well-known nationally as the "Town of little shops".
- 3.29 Further feedback was received from traders and the business community in Brighouse which indicated that there were concerns with regard to the imposition of further parking charges.

- 3.30 A written position statement from the Council's Market's Manager on Calderdale's markets and the "Future of the High street" was also received that provided a valuable insight into the delivery of the markets service and its engagement with the entire community of Calderdale.
- 3.31 A further evidence gathering session was undertaken by means of a question and answer session discussion with the Director and the Portfolio Holder, Economy and Environment Directorate on the Future of the High Street.
- 3.32 The Portfolio Holder referred to the Portas report, which, in his opinion, was now dated and had been to some extent discredited. In terms of the "High street", it was different in every village, every community, and mentioned that it was not just up to the Council to support the Future of the High Street as the private sector and private owners of business properties had an important role to play as well.
- 3.33 In his opinion, the Portfolio Holder was delighted with the overall vibrancy of Calderdale and its communities and made specific reference to Sowerby Bridge, which was thriving and where it was currently difficult to find a shop to let. Further to this, the Portfolio Holder commented that the Sowerby Bridge Christmas market had been fantastic and mentioned that Halifax Town centre was "buzzing" and that Halifax market had a remarkably high occupancy rate of around 97%.
- 3.34 He added that there were also some challenges, citing Elland Town Centre as an example, and also referred to "Marketing Halifax", funded to the tune of £25,000 a year, but with still no Business Improvement District set up. He also made reference to work in the Borough and entrepreneurial and inspirational individuals, citing Ms Kate Hardcastle, a "retail guru", as an example, who had a major focus on customer service.
- 3.35 Other matters discussed included: economic activity - the transitional period between the daytime and night time economies; empty residential properties above the Halifax Borough Market – some disability issues about possible future occupancies; no lifts – however the Council was in conversations with English Heritage and the Homes and Communities Agency; Idea for "Totally Locally" originated from this Council's Economic Task Force; Xmas Lights switch-on's / fireworks displays – big organisations contributed; Purple Flag award for Halifax – the only West Yorkshire Council to win award for safe, night-time economy and the positive role of street angels / ambassadors; a review of outer-ring parking in the Borough; and community budget money – all Councillors had been awarded a small pot of money to be used to promote trade, etc. in the run up to Christmas.

3.36 In reference to the findings of the Portas report, as a Review Group we felt that the Council should try and do more to make it easier for people to become market traders by removing unnecessary regulations so that anyone can trade on the High Street unless there is a valid reason why not. (Portas recommendation 5); and that local authorities should make more proactive use of Compulsory Purchas Order powers to encourage the redevelopment of key high street retail space. (Portas recommendation 21). We also felt the Council should be supportive of (Portas recommendation 13) – putting betting shops into a separate “use Class” of their own.

Recommendation 4

A recommendation to the Portfolio Holder / Director that further consideration is given to some initial (free) short periods of parking being introduced (prior to any charges then applying) to encourage more people to shop on the “High Street”, particularly in relation to the smaller towns and localities within the Borough

Recommendation 5

A recommendation that further schemes be undertaken throughout the course of the year, budgets permitting, similar to the initiatives undertaken in the run up to Christmas, funded by the Economic Task Force, whereby all Councillors were given a small pot of money to spend in their wards. Future emphasis to include targeting regeneration initiatives and the promotion of the High Street¹.

¹ Note: the Panel has subsequently become aware of a decision of Budget Council – meeting held 24th February, 2014, for the creation of community budgets which will provide £5,000 per ward, per year, for three years. The Community budgets use to be decided at ward forums, led by local Councillors, for the benefit of the local community.

Appendix 1

WHAT EXTRA WE CAN DO? – OUR RECOMMENDATIONS

<p>Recommendation 1</p>	<p>That the Cabinet / Council be informed that the Review Group recommend that a Member Champion be appointed to champion Apprenticeships (including 25+ age group Apprenticeships)</p>
<p>Recommendation 2</p>	<p>That Cabinet is asked to consider putting specific guidance in place, to be included in the Youth Strategy for apprenticeships and work Placements etc., in the support of those 25+ seeking apprenticeships through signposting opportunities and/or funding sources where applicable</p>
<p>Recommendation 3</p>	<p>That, in respect of the Council’s Procurement Strategy 2013-15 (see Paragraph 3.22 of this report), we are aware of the introduction of a Social Value Assessment for all projects exceeding EU thresholds, and we understand that a Council Priorities and Social Considerations Table is to be launched to help Officers in identifying suitable economic, social and environmental outcomes where appropriate for contracts valued over £60,000 and up to the EU threshold.</p> <p>We actively encourage Cabinet to endorse and support the use of such a Table to challenge officers to consider a range of wider benefits, one of which is the provision of apprenticeships, which would contribute to the economic, social and environmental well-being of the Borough.</p>
<p>Recommendation 4</p>	<p>A recommendation to the Portfolio Holder / Director that further consideration is given to some initial (free) short periods of parking being introduced (prior to any charges then applying) to encourage more people to shop on the “High Street”, particularly in relation to the smaller towns and localities within the Borough</p>

Recommendation 5

A recommendation that further schemes be undertaken throughout the course of the year, budgets permitting, similar to the initiatives undertaken in the run up to Christmas, funded by the Economic Task Force, whereby all Councillors were given a small pot of money to spend in their wards. Future emphasis to include targeting regeneration initiatives and the promotion of the High Street.

Appendix 2

Membership of the Detailed Scrutiny Review

Councillor Scott Benton (Chair)
Councillor Ferman Ali
Councillor James Baker
Councillor Peter Caffrey
Councillor Jenny Lynn
Councillor Richard Marshall
Councillor Simon Young (until November, 2013)
Councillor Adam Wilkinson (from November, 2013)

Membership of the Economy and Environment Scrutiny Panel (2013/14)

Councillor Scott Benton (Chair)
Councillor Ferman Ali
Councillor James Baker
Councillor Peter Caffrey
Councillor Jenny Lynn
Councillor Richard Marshall
Councillor Simon Young (until November, 2013)
Councillor Adam Wilkinson (from November, 2013)

(Support to this Scrutiny Working Party was provided by Paul Preston, Scrutiny Support Officer, Democratic and Partnership Services)

Summary of Witnesses Giving Evidence

Councillor Barry Collins, Deputy Leader of the Council and Portfolio Holder, Economy and Environment Directorate

Ian Gray, Director, Economy and Environment Directorate

Mark Thompson, Head of Housing, Environment and Renewal, Economy and Environment Directorate

John Hodgson, Business and Development Team Leader, Economy and Environment Directorate

Fiona Thurlbeck, Principal Officer, Skills and Employment, Housing Environment and Renewal section, Economy and Environment Directorate

Heather Campbell-Firth, Employment Engagement Officer, Economy and Environment Directorate

Helen Saunders, OD Project Officer, Human Resources team, Communities and Business Change Directorate

Councillor Christine Devonport, Hebden Royd Town Council

John Walker, Markets Manager (written submission) Economy and Environment Directorate

Ann Sykes, Job centre Plus re 25+ Apprenticeships (written submission)

Alison Kinder, C&K Careers, re 25+ Apprenticeships (written submission)

Attendance by Councillors S Benton and P Caffrey at Business breakfast event at Elland which focussed on the consultation on the draft Calderdale Business and Economy Strategy 2014-2020 (October, 2013) (oral submission on feedback from event)

Feedback via Councillor Benton – views of traders and the business community in Brighouse – Future of the High Street (oral submission)

Appendix 4

References and Bibliography

Notes of all meetings of the Economic Regeneration Detailed Scrutiny Review - held by the Scrutiny Support team, Room 10, Halifax Town Hall;

Calderdale District Employer Survey 2013 Research Report prepared for Calderdale Council by bmg research;

The Portas Review – an independent review into the future of our high streets – Mary Portas - December 2011;

Calderdale Cabinet (Exempt) report – Business and Economy Service Capacity and Structure report – 7 October 2013;

Calderdale Council – Statistics and census data – employment – latest statistics;

Calderdale MBC – Draft Business and Economy Strategy 2014-2020, August 2013;

Calderdale Council – Economy and Environment Directorate Structure Chart (as at May, 2013);

Report – Calderdale Internal Position Statement for Young People – apprentice, work placements and traineeships – dated October, 2013;

Report – Calderdale External Position Statement on External Apprenticeships / Youth Support dated October, 2013;

Cabinet report – Youth Unemployment – November, 2013;

Cabinet report – Building ambition 4040 by 2020 Apprenticeship Strategy – November, 2013;

HM Government – Apprenticeship Quarterly (Quarter 4) MI Report for Calderdale – publication date 24/10/2013;

Any enquiries or requests for background information,
please contact Paul Preston, Democratic and Partnership
Services, Calderdale Council, Halifax Town Hall, Halifax,
HX1 1UJ

Tel: (01422) 393250

Email: scrutiny@calderdale.gov.uk
<http://www.calderdale.gov.uk>