

## Departmental Quarterly Monitoring Report

<b><u>Directorate:</u></b>	Environment & Economy
<b><u>Department:</u></b>	Employment, Economic Regeneration & Business Development
<b><u>Period:</u></b>	Quarter 1 - 1 <sup>st</sup> April – 30 <sup>th</sup> June 2010

### 1.0 Introduction

This quarterly monitoring report covers the Employment, Economic Regeneration & Business Development Department first quarter period up to 30<sup>th</sup> June 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

#### Enterprise & Employment

Matrix is the national standard for providers of Information Advice & Guidance. Having achieved the standard in 2007, Halton People In to Jobs (HPiJ) were re-assessed in June 2010 and passed with flying colours. The assessor highlighted the customer focussed approach that HPiJ offers as a particular strength as well as effective partnership working. The assessor has suggested that HPiJ should consider applying for the Matrix Excellence Award – HPiJ working towards this.

Proposals for Department for Work and Pensions (DWP)/ Job Centre Plus (JCP) to introduce the Community Task Force and Flexible New Deal 2 programmes have been shelved by the new Government who have announced that the new Work Programme will be introduced in summer 2011.

DWP/JCP have extended the New Deal Gateway to Work Contract (Warrington) has been extended until the end of the year with the potential of a further extension until 31/3/2011.

The Priority Sector Routeway contract that was due to terminate on 31/12/2010 has been extended to 31/3/2011 and a further £34,600 from the Skills Funding Agency has been requested. The 16-19 NEET Progression Pathway contract that

was due to terminate on 31/12/2010 has been extended until 31/3/2011 and a further £45,000 from the Skills Funding Agency has also been requested.

The number of Liverpool City Region Future Jobs Fund (FjF) jobs approved to 31/3/2011 is 243. 77 FjF jobs have now been filled.

## **Economy & Development**

The level of inward investment enquiries recorded by the Business Development, Inward Investment and Economic Promotion Team remains depressed. The Team, therefore, continue to work with partners to furnish the local business community with the advice and support necessary to survive and prosper during the on-going global slow down. For example, the content of the web site [www.runcorn-widnes.com](http://www.runcorn-widnes.com) is constantly updated to reflect the changing offer from national and regional business support agencies.

The post of Business Parks Officer has been filled after a period of almost seven months. The new post holder is currently delivering the 2010/2011 programme of initiatives at Astmoor and Halebank Industrial estates which has been in abeyance since the New Year

The Business Development, Inward Investment and Economic Promotion Team are currently working with Liverpool Vision, Halton Chamber of Commerce and Enterprise and the Halton Enterprise Board to ensure that a small group of local companies are able to have a presence at Shanghai World Expo 2010. To date five local companies have been identified who wish to attend World Expo 2010. Each company is meeting individually with UKTI\CBBC to ascertain their individual needs.

## **Adult Learning & Skills Development**

### Adult Learning

- 1357 individual learners (equating to 1951 enrolments) joined an adult learning programme during Q1 (making the cumulative totals for the academic year of 2834 and 5217 respectively). Of the 1357, 19% had no previous qualifications; 31% had not done any learning for at least 2 years; 16% had disclosed a disability; 35% reported they wanted additional help with literacy, numeracy and/or ICT; 29% were male; 6% were BME learners; and 30% of all enrolments came from residents from Halton's LSOAs.
- 425 Skills for Life assessments were carried out and from these, 58% of learners enrolled onto literacy, numeracy or employability programmes.
- A total of 58 City and Guilds qualifications were achieved in Q1, which included:
  - 18 Level 1 Literacy
  - 19 Level 2 Literacy
  - 16 Level 1 Numeracy
  - 5 Level 2 Numeracy

- 76 learners completed the generic 2 week HEP Award and 77 completed sector specific employment programmes in logistics, construction or retail
- 100% of learners that sat the exam for the level 2 Diploma in Childcare & Education achieved it
- The Neighbourhood Learning in Deprived Communities Grant Panel met and agreed to invite 9 Community and Voluntary Sector organisations to submit Full Grant Proposals to deliver learning projects in localised communities within Halton. The deadline for submission is 9<sup>th</sup> August and it is planned that Service Level Agreements will be in place for delivery to commence in September 2010.

### **Sector initiatives**

During Q1 the Halton Employment Partnership, as part of the 3MG skills & recruitment project, handled Tesco's recruitment on their behalf for their flagship chilled distribution centre on 3MG. As a result, Tesco offered jobs to 377 individuals of which 75% are Halton residents (with a 60:40 split between Widnes:Runcorn). In addition, the Halton Employment Partnership handled the smaller scale recruitment on behalf of Norbert Dentressangle for their recycling unit on 3MG. Recruitment was successful, with local people gaining employment (we are waiting on final data from them and will report this next quarter).

It was agreed during Q1 that the Skills for the Science, Technology & Advanced Manufacturing (STAM) Sector Steering Group be merged with the Halton Science Action Group (HSAG). Work on the STAM Routeway continued. The Routeway is a web based resource providing a 'journey' of learning and skills provision, plus a range of support services for children, young people and adults wishing to work towards a career in the STAM sector. The STAM Routeway is due to be completed and launched in the autumn term.

A project manager was appointed in Q1 to drive forward the Construction Employment Integrator (CEI) Model area of work. The initial work programme will focus on working with legal and procurement departments in inserting training and recruitment clauses into procurement documents associated with construction projects. CEI – close liaison with planning and legal departments, particularly around links with Section 106 are key to driving the CEI forward. Similarly, the purchasing of a Skills Forecasting Tool will be central to the work of the CEI.

The analysis of the results of the Business Perceptions Survey 2009/10 commenced in Q1; the bulk of the follow up work will take place in Q2.

The Business Development/Response to Redundancy Group has now been re-formed. Membership includes the Halton Employment Partnership members of JCP, Adult Learning & Skills Development, HPIJ and Business Development. The focus of the group is to consider training and recruitment needs of potential new inward investors and to work in partnership to support local businesses through the economic downturn.

### **Divisional issues**

Consultation with adult learning tutors, unions and HR took place during Q1 with a view to changing some of the tutor contracts in line with changing priorities/government agendas. A review of the whole divisional structure will take place in Q2. It is expected that a very small number of staff may be made redundant.

The Divisional Manager is leading on the departmental Skills Audit and Communications & Marketing Strategy, both in draft at the moment.

## **3.0 Emerging Issues**

### **Enterprise and Employment**

The Government have announced that RDA's will cease to operate on 31/3/2012 and will be on wind down from 1/4/2011. As a result Business Link Northwest will cease to operate at the same time as NWDA.

The recent 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. Key will be the devolution of economic regeneration budgets to new Local Economic Partnerships (LEP). A White Paper will be released in late summer outlining governmental thinking regarding the preferred spatial scale and function of LEP's.

The government announcement with regards the scrapping of the building schools for the future (BSF) project is likely to have implications for the department. If the Local Education Partnership (LEP) does not now go ahead it is likely that workload in the future on the secondary sector (for example, in facilities management) will be delivered via this department whereas it would have been delivered via the LEP had this gone ahead.

### **Adult Learning & Skills Development**

The review of the Adult Learning & Skills Development Division will result in a reduced headcount and a reduced frontline service. This will in turn have a knock on effect on the numbers of learners/enrolments and the number of individual qualifications achieved. In addition, new fees will come into force in Q2 and it is expected that these will have a detrimental impact on the number of service users.

As WNF begins to run out, the future of WNF funded projects needs to be considered; in particular, the Halton Employment Partnership, Skills for Life Assessment Service and the qualifications offered in literacy, numeracy and Childcare & Education are all funded through this route.

Possible support from the Halton Employment Partnership will be required with B & M recruitment in Speke.


#### 4.0 Service Objectives / milestones

##### 4.1 Progress against 'key' objectives / milestones

<b>Total</b>	<b>13</b>		11		2		0
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The majority of the objectives/ milestones are progressing as planned although some uncertainty around retail investment and Bayer Crop Science Project still remains. Additional details concerning all key objectives/ milestones can be found in Appendix 1.

##### 4.2 Progress against 'other' objectives / milestones

<b>Total</b>	<b>-</b>		-		-		-
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There are no additional objectives/ milestones for the service

#### 5.0 Performance indicators

##### 5.1 Progress Against 'key' performance indicators

<b>Total</b>	<b>2</b>		2		0		0
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The outputs from both the Urban Renewal Strategy & Action Plan and 3MG Masterplan are all progressing well. More information concerning all key indicators can be found in Appendix 2.

##### 5.2 Progress Against 'other' performance indicators

<b>Total</b>	<b>5</b>		3		2		0
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Although good progress is being made towards the outputs of the Widnes Waterfront Programme and the Bayer Forward Strategy there are still issues regarding the Regeneration of Castlefields. Additional details are provided in Appendix 3

## **6.0 Risk Control Measures**

During the production of the 2009-12 Service Plan, the service was required to undertake a risk assessment of all Key Service Objectives. Where a Key Service Objective has been assessed and found to have associated 'High' risk, progress against the application of risk treatment measures is to be monitored, and reported in the quarterly monitoring report in quarters 2 and 4.

## **7.0 Progress against high priority equality actions**

Any high priority equality actions identified by the service will be reported in quarters 2 and 4.

## **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 'key' performance indicators
- Appendix 3 Progress against 'other' performance indicators
- Appendix 4 Progress against risk control measures
- Appendix 5 Financial Statement
- Appendix 6 Explanation of use of symbols

## Appendix 1: Progress Against 'key' objectives / milestones


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 1	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 deliver a set of projects funded by the NWDA. <b>Mar 2010.</b>		Performance plan with the NWDA for approval




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 1	Supporting Commentary
Secure ERDF funding and deliver site infrastructure project by <b>Dec 2010</b>		Application for ERDF funding submitted last year. Finalisation of infrastructure solution will take place after site investigation results.
Take vacant possession of the Bayer site <b>Mar 2011</b>		Completed May 2010

## Appendix 1: Progress Against 'key' objectives / milestones

Complete site remediation strategy by <b>Mar 2011</b>		Site investigations underway that will inform development of the strategy
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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 1	Supporting Commentary
Implementation according to Masterplan Phase 2: Commence construction of the Village Square Phase 2 <b>Mar 2011</b> .		Construction commenced and is on programme.
Prepare bid for phase 3 funding of the RSL housing renewal. <b>Mar 2011</b>		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) <b>Sep 2010</b>		Market review underway. Opportunities to be seized as they arise.




## Appendix 1: Progress Against 'key' objectives / milestones

Ref	Objective
EEB 8	<b>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.</b>




Milestones	Progress Q 1	Supporting Commentary
Ensure continued investment in town centres of at least £1 million per annum. <b>Mar 2011.</b>		Further retail investment in Widnes is presently going through the planning system.
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. <b>Mar 2011.</b>		This is under review and will be informed by the Masterplan exercise being undertaken on Runcorn Town Centre.

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

Milestones	Progress Q 1	Supporting Commentary
Phase 2, the remediation of the golf course is to be completed by the end of <b>Mar 2011.</b>		On site and on schedule to complete March 2011

## Appendix 1: Progress Against 'key' objectives / milestones

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 1	Supporting Commentary
Subject to market testing, the disposal of Halton Borough Council Field <b>Mar 2011</b> .		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 <b>Mar 2011</b> .		The infrastructure associated with HBC Fields will be tied up in the development agreement and undertaken by the developer.
Complete the second phase of warehouse development on Stobart land and the improvements to Ditton Brook <b>Mar 2011</b> .		Stobart are continuing to work with potential end users to bring about the second phase of development.

## Appendix 2: Progress Against 'key' performance indicators

Ref	Description	Actual 2009/10	Target 2010/11	Quarter 1	Current Progress	Direction of Travel	Supporting Commentary
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### Corporate Health

There are presently no indicators of this type identified for the service





### Fair Access

There are presently no indicators of this type identified for the service

### Quality

There are presently no indicators of this type identified for the service

### Service Delivery

<b>EEB LI16</b> Previously MP LI13	Urban Renewal: Outputs as set out in Succession Urban Renewal Strategy and Action Plan (% achieved)	100	100	25			Widnes waterfront, Bayer, 3MG, Castelfields and golf course all progressing.
<b>EEB LI17</b> Previously MP LI14	3MG: Outputs as set out in Masterplan (% achieved)	100	100	25			On target



**Appendix 3: Progress Against 'other' performance indicators**

Ref	Description	Actual 2009/10	Target 2010/11	Quarter 1	Current Progress	Direction of Travel	Supporting Commentary
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**Quality**

There are presently no indicators of this type identified for the service

**Service Delivery**

EEB LI12 Previously MP LI6	Land reclamation programme (acres)	10	10	0	?		Contract on programme Golf course when completed is 76 acres.
EEB LI15 Previously MP LI12	Castlefields Regeneration: Outputs as set out in Masterplan Phase 2 & SPD (% achieved)	100	100	20%	?		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 4: Risk Control Measures

Ref	Service Area	High Priority Action	Progress	Supporting Commentary
ER1	Impact of the global recession on local business	Increased emphasis on business aftercare and the dissemination of inform to the business community	?	The recent announcement of deep public sector cuts will have a profound impact upon the economy of LCR.
ER1	Impact upon service provision of anticipated reduction in core funding	Review and evaluation of non-essential service delivery	?	To be completed in line with Efficiency Review & organisational budget savings.

## Appendix 5 Financial Statement

### **EMPLOYMENT, ECONOMIC REGENERATION & BUSINESS DEVELOPMENT**

#### **Revenue Budget as at 30<sup>th</sup> June 2010**

	Annual Revised Budget	Budget To Date	Actual To Date	Variance To Date (Overspend)	Actual Including Committed Items
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure</b>					
Employees	4,940	1,216	1,164	52	1,169
Premises Support	11	0	0	0	0
Office Accommodation	36	0	0	0	0
Repairs & Maintenance	2,675	932	932	0	1,803
Energy & Water Costs	830	207	163	44	694
NNDR	836	836	922	(86)	925
Rents	1,054	263	263	0	1,222
Property Recharges	568	0	0	0	0
Marketing Programme	43	11	12	(1)	16
Promotions	19	0	0	0	0
Development Projects	49	0	0	0	0
Supplies & Services	1,203	128	131	(3)	517
Transport	72	18	13	5	13
Central Support Services	20	0	0	0	0
Departmental Support Services	0	0	0	0	0
Agency	196	10	9	1	72
Capital Financing	-240	0	0	0	0
Asset Charges	1,657	0	0	0	0
<b>Total Expenditure</b>	<b>13,969</b>	<b>3,621</b>	<b>3,609</b>	<b>12</b>	<b>6,431</b>
<b>Income</b>					
Rent – Markets	-867	-217	-218	1	-218
Rent – Industrial Estates	-979	-245	-225	(20)	-225
Rent – Commercial Accommodation	-519	-130	-97	(33)	-97
Recharge	-692	0	0	0	0
Repair & Maintenance Recharges	-39	0	0	0	0
Sales	-3	-1	-3	2	-3
Support Service Recharge	-1,292	-68	-68	0	-68
Fees & Charges	-332	-64	-66	2	-66
Reimbursements	-437	-31	-31	0	-31
Government grants	-822	-205	-215	10	-215
School's SLA Income	-676	0	0	0	0
Internal Fees (Schools)	-77	0	0	0	0
Recharges to Capital	-827	-22	-22	0	-22
<b>Total Income</b>	<b>-7,562</b>	<b>-983</b>	<b>-945</b>	<b>(38)</b>	<b>-945</b>
<b>Net Expenditure</b>	<b>6,407</b>	<b>2,638</b>	<b>2,664</b>	<b>(26)</b>	<b>5,486</b>

## Appendix 5 Financial Statement

### Comments on the above figures:

In overall terms revenue spending to the end of quarter 1 is slightly over 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 6 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</u> whether the annual target is on course to be achieved.</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</u> unless there is an <u>intervention or remedial action</u> taken.</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 <b>is better</b> as compared to the same period last year.</i>
Amber		<i>Indicates that performance <b>is the same</b> as compared to the same period last year.</i>
Red		<i>Indicates that performance <b>is worse</b> 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>