

## **EXECUTIVE MEMBER REPORT TO COUNCIL Wednesday 18<sup>th</sup> July 2018**

### **1. CEBR Consumer Report**

Middlesbrough's consumer sector is one of the best performing in the UK, according to a recent report which puts Middlesbrough consistently near the top of series of tables ahead of 44 other cities across the UK.

The 2018 UK Consumer Powerhouse report is produced by solicitors Irwin Mitchell in partnership with the Centre for Economics and Business Research (Cebr) and highlights Middlesbrough's consumer sector as a key driver for economic growth in key sectors covering retail, leisure, tourism, food and drink.

The CBI pointed to 'the overall resilience of the consumer sector – worth £400 billion in 2017 – with GVA (gross value added) growth of 1.5% and employment growth of 1% across the 44 cities under the spotlight'. In comparison Middlesbrough's consumer sector GVA growth rate of 3% was the second-highest recorded in the UK in Q4 2017, with the area placed just behind Bristol which was ranked no 1.

Middlesbrough also recorded strong employment growth of 2.6% within the sector with Middlesbrough's GVA growth rate in Q4 2018 and is forecast to be one of the strongest in the UK at 2.7%.

Irwin Mitchell's Business Legal Services stated the latest report 'paints a rosy picture for the consumer sector within Middlesbrough, with its current fortunes and short-term prospects looking very positive. While there could be various factors around this performance, it is worth noting that throughout 2017, footfall data has showed that the city experienced growth in numbers of shoppers despite the national trend being negative.'

### **2. Snow Centre**

Cool Runnings have been working with their appointed architects Faulkener Browns to develop the plans for the Snow Centre in Middlehaven. Two fantastic images have been produced showing how the development will transform the dock area of Middlehaven paying attention to the heritage of the dock clock tower. Through discussions with the Council, the design of the development will incorporate high quality materials to the exterior of the building, providing a development that is in keeping with the ethos of Middlehaven and the neighbouring buildings and Temenos. It provides better interaction with the dock and improved public spaces to provide a facility that will be a visitor attraction of national significance and bring high volumes of tourists to Middlesbrough.



### 3. Town Centre Update

#### *Town Centre Partnership*

The first Town Centre Partnership was held on Wednesday 23<sup>rd</sup> May. The group discussed the direction a city centre strategy needs to go in and issues such as the feeling of security, early evening vibrancy and how to attract female shoppers. This will all be fed into the emerging city centre strategy.

The Town Centre Partnership Board comprises a high-level briefing session for key businesses/stakeholders in the Town Centre with the aim of disseminating information on major developments and exploring ways to work together to address Town Centre issues. The partnership board is an opportunity to update stakeholders on the progress of the City Centre Strategy to identify how the strategy can be translated into operational matters. It can also address key operational / managerial issues.

#### *Openings and Closures*

Recent months have seen a number of new additions to the town centre retail offer; Union Jacks Ale House and Canteen on Linthorpe Road are newly open and we also welcome the additions of Probrushes and Durham Bed Centre in the Cleveland Centre.

Unfortunately we have seen the departure of Pound World, Bargain Buys and Lazy Joe's along with the announcement that House of Fraser in Middlesbrough is one of 31 stores earmarked for closure across the UK.

#### *Albert Road – Level Surface*

Following consultation with surrounding businesses the decision has been made to delay the Level Surface works on Albert Road until January 2019. It was agreed that if the works were undertaken in the originally proposed timeframe it may have an adverse effect on the summer trade of surrounding businesses as well as the many events organised in relation to the opening of the newly refurbished Town Hall.

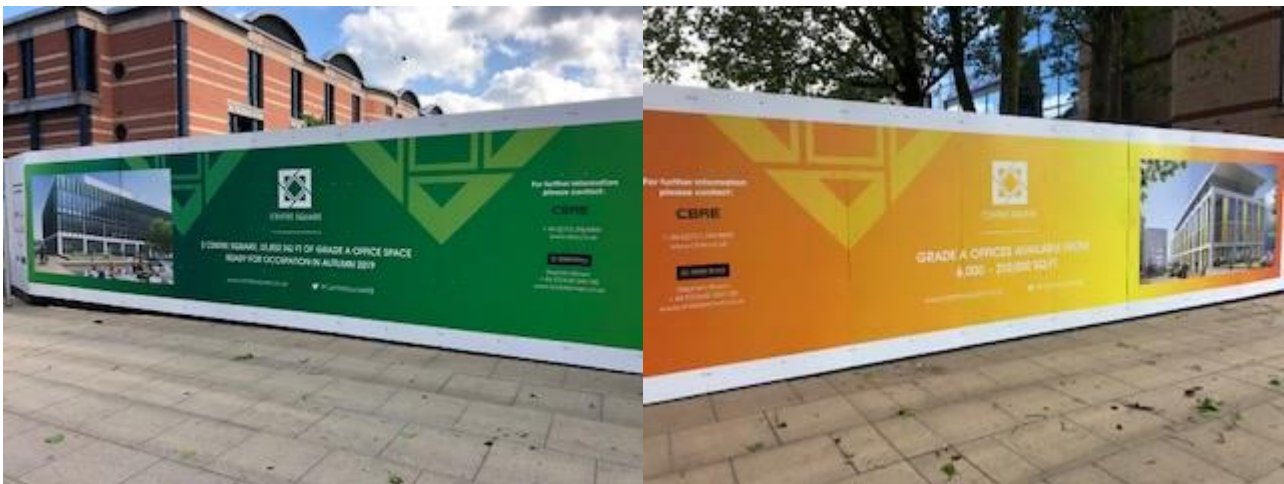
#### *Restaurant Week*

Restaurant Week took place between Monday 7<sup>th</sup> and 13<sup>th</sup> May which saw seventeen town centre restaurants and eateries taking part in the annual event. The event continues to drive additional footfall, highlighting the town centre's eclectic food and beverage offer. Restaurant Week has been well received by those involved and correspondence between the Council and those involved has been extremely positive.

#### 4. Centre Square – Grade A Office Space

Work on the Grade A office space at Centre Square is progressing into the next stage of development. Hoardings are now installed around the first phase of the project which will see the development of the first 2 building and create approximately 100,000 sqft and associated food and beverage space at Centre Square, detailing how the impressive state of the art buildings will look. Development will commence in July and take approximately 14 months to complete with a further 6 months identified for the internal fit out of the buildings.

The wider Centre Square project being developed by Ashall Projects (MB) Ltd. The project including the first phase will create over 210,000sqft of high quality office space on a scale that will rival any city in the north and create over 2000 jobs for the local area.



#### 5. Invest Middlesbrough Breakfast Exchange

The Invest Middlesbrough Breakfast exchange relocated its 2018/2019 business breakfast events programme to the Fire Station in the Town Hall. Over 80 businesses were in attendance to hear more about the public/private Tees AMP development. The event featured the developer, architect, agents and Middlesbrough Council in a panel style Q&A. Excellent feedback was received from the business audience about the location and the content. The next event will be in October.



## **6. Digital Strategy**

Middlesbrough Council is currently in the process of developing the wider strategy for 'Middlesbrough Digital', working closely with partners at DigitalCity and TVCA to ensure we're operating in cohesion, whilst providing an enhanced offer in Middlesbrough. A paper has been sent to the DigitalCity board for review on Monday 2<sup>nd</sup> July that showcases how Middlesbrough Digital will operate in collaboration with DigitalCity, and in the meantime we're working internally to put the final pieces of the strategy together.

Short term activity, however, has already started taking place. We've recently launched Boho Office Hours and Final Fridays, created a co-working space within Boho Five which has recently seen nine businesses on the DigitalCity Fellowship Accelerator incubated in Middlesbrough, and developed a formal link with Digital Union to enhance the offer for Middlesbrough's digital cluster.

Boho Office Hours is a business surgery style offer that aims to connect businesses with specialist support providers, as well as offering peer-to-peer mentoring opportunities. We've already successfully run Boho Office Hours from within Boho One with Digital Catapult NETV, Department for International Trade, DigitalCity, Tech Nation, and Mercia Technologies – managers of the Northern Powerhouse Investment Funds in Tees Valley. Office Hours are scheduled to take place with FW Capital in July, and conversations are currently taking place with a number of professional services providers to expand the offer.

Final Fridays is a monthly digital-focused networking event that takes place within Boho One, welcoming digital businesses from within the seven buildings of the Boho Zone and wider. Each month, we have one specialist support provider delivering a 5 minute overview of their offer, as well as two businesses from the Boho Zone presenting.

## **7. Boho Buildings**

Boho One is still at 100% occupancy, with Boho Five recently hitting the highest occupancy levels since the building open at 87%. We currently have a waiting list for space in both buildings and are working closely with businesses that are outgrowing their current space to ensure they are aware of the wider portfolio of space in the Digital Enterprise Zone.

Alongside the formal activity delivered under Middlesbrough Digital, we're focusing on building on the wider community activity that already takes place in the Boho Zone. This is going to be vital to showcasing the genuine community that has been developed – supporting inward investment activity and talent attraction.

We are also looking to refresh the aesthetics within Boho One and Boho Five to support the new activity being delivered. The car park provision is under review, IT infrastructure is being upgraded with new fibre lines to improve communications between Boho 1 and 5 and the Café/Networking area is undergoing repair and maintenance with a new supplier due to be in place by Autumn.

## **8. Gresham Student Village**

Negotiations are ongoing to bring forward a high quality development of over 400 units of student accommodation in the Gresham regeneration area. The proposed development will create a new gateway into the town from the A19/A66 and will benefit from the site's proximity

to the city centre, the University's campus and Baker/Bedford Streets. The remaining part of the Gresham site will see the development of new high quality residential development in order to create a stable, vibrant and balanced town centre housing market. Further details will be given in a report to Executive on the 31<sup>st</sup> July 2018."