

# PROMOTING THE ECONOMIC VITALITY OF MIDDLESBROUGH

Version Control: 1

Contact: Kathryn Stokes (overall)  
Sandra Cartlidge (Whole Theme - Economic bits)  
Kevin Parkes/ Alan Hunter - Housing  
Julieta Farrar - Culture

This section of the LAA builds on the 'Promoting the Economic Vitality of Middlesbrough' theme of the Community Strategy. Within the Community Strategy this theme includes

- economic vitality
- housing
- culture.

The LAA deals with each of these in turn.

Middlesbrough has been making strides towards economic recovery. However, Middlesbrough's economy is still weak compared to other areas and it faces some big challenges in ensuring the long-term sustainability of its neighbourhoods. In order to address these challenges the economic vitality thematic action group has identified a number of strategic priorities for each of part of this theme, these are:

## **Economic Vitality**

1. Establish an environment that encourages and supports economic vitality
2. Provide business support that encourages more businesses to set up, locate and grow here
3. Ensure local people have the skills and can access jobs and opportunities
4. Change attitudes by promoting Middlesbrough's success
5. Play a strong role in the sub/region

## Housing

1. Rejuvenation of the housing stock
2. Ensuring that the type and mix of new housing provides choice
3. Improve and maintain existing housing
4. Address specific community and social needs

## Culture

1. Promote regeneration through culture, arts and learning through major cultural projects and flagships that act as economic drivers by contributing to the town's image and environment
2. Promote regeneration through culture, arts and learning through cultural activities which contribute to the quality of life , and well-being of individuals and communities

Promoting the economic vitality of Middlesbrough is key to achieving the Mayor's vision for the town. Specifically, the following two pillars of the Mayor's "Raising Hope" agenda demonstrate the Council's commitment to revitalise Middlesbrough:

- physical regeneration of the town's run-down sites and buildings
- a business-friendly enterprise culture which welcomes would-be investors.

## ECONOMIC VITALITY

The theme is led by the Partnership's Economic Vitality Action Group (EVAG). EVAG established the strategic priorities for this theme within the Community Strategy, and has also developed a number of individual workstreams and sub-groups to enable these to be progressed. These priorities increasingly shape the Partnership's approach to other initiatives, including the Local Enterprise Growth Initiative, work to secure one of the Northern Way Worklessness Pilots in Middlesbrough, and the Deprived Areas Fund.

The scope of the Economic Vitality strategic priorities are vast and will not be achieved in the short term. Therefore the Economic Vitality Action Group has identified a number of priority outcomes that it wants to make progress on over the next three years. These priority outcomes, set out below against each strategic priority will form the basis of the Local Area Agreement.

Need to say something about the Economic Development Strategy and LEGI

Ref	Strategic Priorities	Priority Outcomes
1	<p><b>Establish an environment that encourages and supports economic vitality</b></p>	<p><b>Promote the successful physical regeneration of Middlesbrough</b></p> <ul style="list-style-type: none"> <li>▪ Major regeneration is successfully delivered at Middlehaven</li> <li>▪ Middlesbrough town centre secures its position as the retail and commercial engine room of the town</li> <li>▪ Other key industrial/commercial areas provide a range and fit for purpose and quality of space for businesses, including               <ul style="list-style-type: none"> <li>○ Riverside Park</li> <li>○ Creative Industries Quarter (Boho Zone)</li> <li>○ East Middlesbrough Business Action Zone</li> <li>○ Cannon Park and West Middlesbrough/Newport Business Zone</li> </ul> </li> </ul> <p>Targets in this area are based around milestones/process targets rather than numerical/quantifiable targets and assume planned levels of resources are maintained. The shorter term targets of this LAA are set within the longer term framework for many of these outcomes.</p>
2	<p><b>Provide business support that encourages more businesses to set up, locate and grow here</b></p>	<ul style="list-style-type: none"> <li>▪ <b>Increasing innovation - Increase total entrepreneurial activity among the population in deprived areas (LEGI)</b></li> <li>▪ <b>Increasing Competition - Support sustainable growth and reduce the unnecessary failure of locally owned businesses in deprived areas (LEGI)</b></li> </ul> <ul style="list-style-type: none"> <li>▪ Business start up and development is supported by the highest quality of business support services</li> <li>▪ Where there is potential for more business growth, support is in place to maximise and take advantage of this</li> <li>▪ Employers are supported to invest in workforce development, raising both the demand and supply of skills in the workforce</li> <li>▪ Enterprise is promoted and supported at all levels, generating a more entrepreneurial culture and more business start ups</li> </ul> <p>A broad target has been set (subsequent to the publication of the Community Strategy, but led by work around the development of LEGI proposals) to achieve parity with regional levels of performance around business and enterprise, within the next 15 years (by 2021), and with national levels in 25 years (by 2031). This assumes the maintenance of resources coming into the Partnership remains broadly at currently anticipated levels. Significant reductions in funding, or additional investments (eg LEGI), will impact on these targets/timescales. The shorter term targets of this LAA are set within this longer term framework.</p>

Ref	Strategic Priorities	Priority Outcomes
3	Ensure that local people have appropriate skills and can access jobs and opportunities	<ul style="list-style-type: none"> <li>▪ Increase employment</li> <li>▪ Within each NRF district, for those living in the wards identified by DWP as having the worst labour market position (as at February 2004), significantly improve their overall employment rate and reduce the difference between their employment rate and the overall employment rate for England</li> <li>▪ Increasing Investment - Attract appropriate investment and franchising into deprived areas, making use of local labour resources (LEGI)</li> </ul> <hr/> <ul style="list-style-type: none"> <li>▪ Local people are better equipped in terms of work-related skills to compete for opportunities being created</li> <li>▪ People living in areas of high disadvantage, or who face particular barriers to work, are supported to successfully find employment</li> </ul> <p>A broad target has been set (subsequent to the publication of the Community Strategy, but led by work around the development of Middlesbrough Works proposals) to achieve parity with regional levels of performance around employment, within the next 15 years (by 2021), and with national levels in 25 years (by 2031). This assumes the maintenance of resources coming into the Partnership remains broadly at currently anticipated levels. Significant reductions in funding, or additional investments (eg Northern Way Worklessness Pilot), will impact on these targets/timescales. The shorter term targets of this LAA are set within this longer term framework.</p>
4	Change attitudes by promoting Middlesbrough's success	<ul style="list-style-type: none"> <li>▪ Improve attitudes in Middlesbrough</li> </ul> <hr/> <ul style="list-style-type: none"> <li>▪ Local people have greater levels of confidence in Middlesbrough's future and their own aspirations increase</li> <li>▪ People outside Middlesbrough begin to see Middlesbrough differently</li> </ul> <p>Given the nature of this priority/these outcomes performance targets/measures are difficult to specify. However, where it is possible to do so these have been included in the LAA.</p>
5	Play a strong role in the	<b>Middlesbrough plays its full role at the heart of the city-region</b>

Ref	Strategic Priorities	Priority Outcomes
	<b>sub regions</b>	<ul style="list-style-type: none"> <li data-bbox="651 197 2136 256">▪ The Stockton-Middlesbrough Initiative (SMI) is established as a priority and is regenerating the urban core of the Tees corridor</li> <li data-bbox="651 261 2136 320">▪ Given the nature of this priority/these outcomes performance targets/measures are difficult to specify. However, where it is possible to do so these have been included in the LAA.</li> </ul>

## INDICATORS AND TARGETS

Strategic Priority 1 - Establish an environment that encourages and supports economic vitality									
Outcome	Indicator	Baseline 2005/06	Targets 2006/07	Targets 2007/8	Targets 2008/09	Lead partner	Target Source	Data source	Comments
Promote the successful physical regeneration of Middlesbrough  <b>PROVIDE EXEMPLARS FOR GONE</b>	Deliver a range of key physical regeneration projects including: Middlehaven Town Centre Others: Riverside Park Creative Industries Quarter (Boho Zone) East Middlesbrough Business Action Zone Cannon Park and West Middlesbrough/Newport Business Zone	Example text:  Boho Zone proposals prepared and being considered for ONE/ERDF funding	Funding approvals secured	Construction phase commences June 07	Construction complete Dec 08				Economic Development Strategy Target  Develop high quality sustainable accommodation across the town and in the designated industrial areas that meet the needs of business and incorporates environmentally friendly building practice

<b>Strategic Priority 2 - Provide business support that encourages more businesses to set up, locate and grow here</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
Increasing Innovation - Increase total entrepreneurial activity among the population in deprived areas (LEGI)	The number /stock of VAT registered businesses per 1000 population in Middlesbrough					Shared /MBC		DTI	Mandatory indicator Economic Development Strategy Target
	Increase no. of VAT registrations in Middlesbrough			200 with LEGi without LEGi	240 with LEGi				2009/10 265 - with LEGi
	Increase number of VAT registration in priority area			with LEGi without LEGi	with LEGi without LEGi				
	Increase female total entrepreneurial activity			with LEGi without LEGi	with LEGi without LEGi				
	Increase Self-employment rate in Middlesbrough			4.5% with LEGi without LEGi		Shared /MBC		Census	Enabling measure – access to self-employment for tax purposes data sought
	Increase BME self-employment rate			10.6% with LEGi without LEGi				Census	

<b>Strategic Priority 2 - Provide business support that encourages more businesses to set up, locate and grow here</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
	The number of new business start ups supported					Shared /B Link			
	The number of existing businesses supported					Shared /B Link			
	The number of business per 1000 population								Economic Development Strategy Target
Increasing Competition - Support sustainable growth and reduce the unnecessary failure of locally owned businesses in deprived areas (LEGI)	Reduce VAT de registrations			with LEGi without LEGI					
	Increase survival rates of start up businesses supported			with LEGi without LEGI					



Strategic Priority 3 - Ensure that local people have appropriate skills and can access jobs and opportunities									
Outcome	Indicator	Baseline 2005/06	Targets 2006/07	Targets 2007/8	Targets 2008/09	Lead partner	Target Source	Data source	Comments
Increase employment	Reduce Middlesbrough's unemployment (claimant count) rate closer to sub regional and regional averages					Shared /MBC		DWP /JSU	Long term target: regional parity by 2021 – Local Employment Strategy
	Increase employment rate (LFS) for Middlesbrough closer to sub-regional and regional averages							LFS/JSU	Long term target: regional parity by 2021 – Local Employment Strategy
	Increase the number of females of working age that are economically active								Long term target: raise to within 5% of male activity rates by 2021 Economic Development Strategy Target
	Reduce level of B/IS claimants in Middlesbrough								Long term target: ??? TBC – consistent with Econ Strat

<b>Strategic Priority 3 - Ensure that local people have appropriate skills and can access jobs and opportunities</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
	Reduce the number of young people Not in Education, Employment or Training (NEET)								Long term target: parity with GB average by 2021  Cross reference with Supporting Children and Learning
Within each NRF district, for those living in the wards identified by DWP as having the worst labour market position (as at February 2004), significantly improve their overall employment rate and reduce the difference between their	Within that NRF district a reduction by 2007-8 of at least one percentage point in the overall benefits claim rate for those living in the Local Authority wards identified by DWP as having the worst initial labour market position.								

<b>Strategic Priority 3 - Ensure that local people have appropriate skills and can access jobs and opportunities</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
employment rate and the overall employment rate for England	Within that NRF district a reduction by 2007-8 of at least one percentage point in the difference between the overall benefits claimant rate for England and the overall rate for the local authority wards with the worst labour market position.								
Attract appropriate investment and franchising into deprived areas, making use of local labour resources	To be negotiated			with LEGi without LEGI	with LEGi without LEGI				

<b>Strategic Priority 4 - Change attitudes by promoting Middlesbrough's success</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
Improve attitudes in Middlesbrough	Percentage of Middlesbrough residents who believe Middlesbrough is changing for the better.							MNS	Only available bi-annually, next survey 2007
	Percentage of residents of most disadvantaged ward who believe Middlesbrough is changing for the better							MNS	

<b>Strategic Priority 5 - Play a strong role in the sub regions</b>									
<b>Outcome</b>	<b>Indicator</b>	<b>Baseline 2005/06</b>	<b>Targets 2006/07</b>	<b>Targets 2007/8</b>	<b>Targets 2008/09</b>	<b>Lead partner</b>	<b>Target Source</b>	<b>Data source</b>	<b>Comments</b>
Middlesbrough plays its full role at the heart of the city-region	The Stockton-Middlesbrough Initiative (SMI) is established as a priority and is regenerating the urban core of the Tees corridor								

## PERFORMANCE REWARD ELEMENT (STRETCHED PERFORMANCE)

The following indicators are being proposed for stretched performance.

LPSA target re people with learning difficulties and mental health problems? Owned by HSCAG, referenced here or left in their section?			

## FUNDING STREAM INFORMATION

Automatically Pooled Funding			
Funding stream	07/08	08/09	09/10
Neighbourhood Renewal Fund		-	

To add LEG|

Additional Pooled Funding			
Funding stream	07/08	08/09	09/10
Any?, Deprived Areas Fund?			

Aligned Funding			
Funding stream	07/08	08/09	09/10
Council Economic Development Funding?			
Council Regeneration Programmes Funding?			
TVR/Middlehaven Funding?			
SMI?			
Job Centre Plus?			

## **ENABLING MEASURES**

Place duty on Inland Revenue to supply information regarding people who are registered as self-employed or as employers.

Explore the possibility of benefit transfers.