

WIRRAL COUNCIL

ECONOMY AND REGENERATION OVERVIEW AND SCRUTINY COMMITTEE

14TH MARCH 2011

SUBJECT:	OUTCOMES FROM EXISTING REGENERATION PROJECTS AND PROGRAMMES AND AN OUTLINE OF FUTURE PROGRAMMES
WARD/S AFFECTED:	ALL
REPORT OF:	INTERIM DIRECTOR OF CORPORATE SERVICES
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ANDREW HODSON REGENERATION AND PLANNING STRATEGY
KEY DECISION (<i>Defined in paragraph 13.3 of Article 13 'Decision Making' in the Council's Constitution.</i>)	NO

1.0 EXECUTIVE SUMMARY

- 1.1 This report was requested by Members as part of the Committee's work plan and it sets out key outcomes that have been achieved to date as a result of the following regeneration programmes:
- Working Neighbourhoods Fund (WNF)
 - Business Start and Business Support programmes
 - Future Jobs Fund (FJF)
 - Housing Market Renewal (HMRI)
- 1.2 The report also outlines the Government's proposed future regeneration programmes.

2.0 RECOMMENDATION/S

- 2.1 Members are asked to note the progress made in the delivery of the regeneration programmes and projects and to note the outline of the Government's future regeneration programmes.

3.0 REASONS FOR RECOMMENDATION/S

- 3.1 The report was requested by Members as part of the Committee's work plan that was agreed in June 2010.

4.0 BACKGROUND AND KEY ISSUES

- 4.1 Delivering a strong, vibrant economy with high levels of employment is a key corporate priority and Wirral's Investment Strategy provides the context for progressing economic development and tackling worklessness across the Borough.

- 4.2 As a result, activity has been focused on:
- growing the economy - through activities that attract investment, encourage enterprise and innovation, and support business growth and competitiveness;
 - increasing skills and tackling worklessness – through enabling organisations from all sectors to work together to deliver targeted support to enable residents to develop skills and access employment;
 - providing the conditions for growth – including balancing our housing markets through targeted investment to ensure high quality affordable homes in some of the Borough’s most deprived areas.
- 4.3 This activity has been progressed by utilising national regeneration programmes and resources.

5.0 WORKING NEIGHBOURHOODS FUND

- 5.1 The Working Neighbourhoods Fund (WNF) was allocated £30.5 million from April 2008 and was planned to run only until the end of March 2011. Members should note, however, that funds have been put aside from WNF to support the development and provision of high speed broadband within the Borough.
- 5.2 A strong partnership approach to the development and commissioning of activity, involving organisations from all sectors, has ensured that the resources add value to existing provision, avoid duplication and achieve maximum impact. An outline of the key achievements to date is set out below

Table 1 Key Achievements

Priority Area	Key Achievements
Competitive People	<ul style="list-style-type: none"> • Increased skills levels • Jobs created and jobs safeguarded • Information, advice and guidance given to ‘hard to reach’ residents • Key skills and basic skills training for disadvantaged groups and communities
Competitive Places	<ul style="list-style-type: none"> • Increased destination Wirral Brand awareness • Wirral’s Tourism and Leisure offer strengthened • Improved business infrastructure • Wirral Business Forum website established
Competitive Business	<ul style="list-style-type: none"> • Business starts increased • Increase in the number of VAT registered businesses • Improved GVA rate • Businesses supported through the BIG Grant fund

- 5.3 Activities progressed through WNF have resulted in a range of outcomes which have had a beneficial impact on the Borough. Outcomes from the programme up to the end of December 2010 are set out in Table 2 below.

Table 2 Working Neighbourhood Fund Outcomes

PRIORITY	OUTCOMES
Job Outputs	1864 people into employment through the Working Wirral projects
Jobs safeguarded	482 jobs safeguarded through the Working Wirral projects 281 jobs safeguarded through the BIG programme 275 jobs safeguarded through the Think Big programme
Jobs created	1,065 jobs created through the Business Start programme 53 created through the BIG programme 680 jobs created through the Think Big programme
Skills	839 people obtaining NVQ Level 1 and above through the Working Wirral projects
Key and basic skills training	2,276 people receiving training through the Working Wirral projects
Apprentice programme	193 apprentices recruited to the programme
Private sector investment	The BIG and Think Big programmes have attracted £22,780,261 of private sector investment
Business starts	945 businesses have started to date

6.0 BUSINESS START PROGRAMME

- 6.1 A key priority for use of WNF resources has been to ensure that a comprehensive business start and support service is in place. Branded as WirralBiz the programme has outperformed other areas of the north west.
- 6.2 Initially the WirralBiz programme was funded entirely by WNF, whilst the NWDA developed its standard North West business start service, and once this was introduced, in October 2009, WNF resources were used to supplement the programme and to provide a stronger business support package that reflected local needs.
- 6.3 The programme has continued to perform very well and the number of business start-ups and businesses supported has exceeded targets by about 20% despite the current economic conditions. Details of achievements are set out below.

Table 3 Business Start Programme Outcomes

YEARS	TARGETS	ACHIEVEMENTS
2008/09	<ul style="list-style-type: none"> • 262 business starts supported • 210 businesses supported and still operating after 12 months 	<ul style="list-style-type: none"> • 314 business starts supported • 250 business starts supported and still operating after 12 months
2009/10	<ul style="list-style-type: none"> • 250 business starts supported (figure reflected anticipated impact of recession) • 220 businesses supported and still operating after 12 months 	<ul style="list-style-type: none"> • 300 business starts supported • 269 business starts supported and still operating after 12 months
2010/11	<ul style="list-style-type: none"> • 300 business starts supported • 210 businesses supported and still operating after 12 months 	<ul style="list-style-type: none"> • 331 business starts supported at end of Q3 against a target of 225 • 181 business starts supported and still operating after 12 months at end Q3 against a target of 157

7.0 FUTURE JOBS FUND

7.1 The Future Jobs Fund (FJF) was launched in 2009 with the aim of creating 150,000 jobs nationally, either for young people unemployed for over 6 months or for those in unemployment 'hotspots'. A successful Liverpool City Region bid secured funding for Wirral to provide 719 six month job placements. The programme was planned to finish at the end of September 2011. Outcomes to date are set out in Table 4 below.

Table 4 Future Jobs Fund

Date	Total Job Starts target	Nos. that completed their FJF post	Nos. that left early / dismissed	Nos. into sustainable employment post FJF
To Apr 2010	193	193	12	36
Target for Sept 2011	526	86 Delivery commenced May 2010	15	13

7.2 As of end of February 2011 the programme has created 581 posts and is on target to fill the remaining 138 by the end of March 2011. Wirral's FJF programme has sought to create a wide spread of occupations for

employees. Of the jobs created to date, 29% were in administrative and secretarial occupations, 20% were for Teaching Assistant posts in schools and the remainder were spread across a wide range of activities including environmental work, marketing, IT, maintenance and caretaking, catering, sports coaching and nursery work. A number of council departments have utilised FJF to pilot new services. The Community Safety Team created Dog Foul Warden posts and Technical Services created Assistant Recycling Officers. Due to the success of both pilots, both have now gained core funding to continue these services.

- 7.3 The first tranche of employees finished their six months on the FJF programme in April 2010 with 36 gaining sustainable employment. A series of exit strategy workshops are now being delivered to assist FJF employees and it is projected that some 25% to 30% of employees should obtain jobs by the end of the programme. A jobsfair is being planned for summer 2011 to assist FJF employees in gaining alternative sustainable employment.

8.0 HOUSING MARKET RENEWAL

- 8.1 Wirral's HMRI programme began in 2003 as part of a government strategy to tackle failing housing markets and to create sustainable communities. The Newheartlands Programme covers parts of Liverpool and South Sefton together with parts of inner Wirral, namely Tranmere, Rock Ferry, Birkenhead and Wallasey.

- 8.2 Key housing priorities were established through extensive consultation and it was agreed that Tranmere and Rock Ferry should form the initial focus of the programme, with schemes extending into Birkenhead and Wallasey. It was recognised that market renewal is a long term project involving a range of measures including housing repair and rebuilding, but also wider regeneration activity addressing transport, education and employment. In addition a Living Through Change programme has supported residents and communities affected by the programme through schemes such as neighbourhood wardens, a homemovers service, landlord accreditation, handyperson service and community safety 'target hardening' and anti social behaviour projects.

- 8.3 HMRI resources and other public funding have resulted in the development of 473 new homes and the outputs from the programme are set out below.

Table 5 HMRI OUTPUTS

HMRI Outputs	Outputs achieved as at December 2010
Acquisitions	1247
Demolitions	1029
Home Improvements	1101
Energy Efficiency Improvements	6785
New Build – Registered Social Landlords	377
New Build - Private	121

8.4 The Government has announced that there will be no further funding for the HMRI programme, but that resources could be accessed from sources such as the Regional Growth Fund or the New Homes Bonus. Officers are currently looking at these options and are in regular dialogue with the Homes and Communities Agency (HCA). However, officers are also revisiting the original objectives of the programme in order to determine whether they are still relevant or deliverable given the changes in the national landscape.

9.0 OUTLINE OF GOVERNMENT'S PROPOSED FUTURE REGENERATION PROGRAMMES

9.1 A number of national regeneration programmes are being progressed which provide opportunities for addressing local priorities within the Borough.

Programme Area	Activity
<u>The Regional Growth Fund</u>	The Regional Growth Fund is a £1.4 billion fund that will operate over 3 years from 2011 to 2014. The objective is to stimulate private sector investment by providing support for private sector projects that offer significant potential for long term economic growth and the creation of additional sustainable private sector jobs. The Fund will particularly help support those areas and communities that are currently dependent on the public sector to make the transition to private sector led growth and prosperity. Round 1 closed on the 21 st January and Wirral Officers supported six key bids from organisations including Peel Holdings and Unilever.
<u>ERDF</u>	The current ERDF programme runs until December 2013 and affords some opportunity to support development and business growth in order to increase new jobs and improve GVA. Resources are significantly reduced but the council will seek to respond to local business needs by utilising available funding to focus on encouraging new relevant start ups; improving business skills; encouraging export; access to finance and providing intensive support for high growth firms. Officers have developed a funding bid for ERDF support with Liverpool City Region partners, which if successful will enable additional support activities to be developed.
<u>JESSICA/ Merseyside Urban Development Fund</u>	Officers have led the development of a Merseyside Urban Development Fund (M-UDF), using ERDF funds to create a more sustainable development fund for capital regeneration schemes. JESSICA is a funding instrument that provides a financial loan to a development which will essentially be required to be returned to the fund, with a rate of interest. It does not provide GAP funding support as the money will not be offered as grant and therefore does not address market viability issues like other EU grants have done.

Programme Area	Activity
<u>North West Development Agency</u>	The Government outlined its intentions to abolish the existing RDAs in the June 2010 emergency UK Budget and introduced Local Enterprise Partnerships (LEPs) to carry out some of the functions currently carried out by RDAs. As part of this plan a number of functions previously undertaken by RDA's will cease to exist. The Government announced earlier this year that Business Link's regional network is to close in November 2011. This means that the business advice service it provided will be replaced with a national mentoring strategy provided through existing agencies and organisations. The national website is to be turned into an online "business startup hub". There are on-going discussion as to what will happen to NWDA owned assets and there is a proposal to manage the transitional ERDF programme from Regional HCA Offices.
<u>New Enterprise Allowance</u>	The Government is supporting people who want to start their own business through the New Enterprise Allowance (NEA). NEA is available to Job Seekers Allowance customers who have been claiming for more than 6 months and provides access to a business mentor for support to develop a business idea through the early stages of trading. The NEA is currently being piloted in the Liverpool City Region and Jobcentre Plus has responsibility for customer referrals. Locally the council's Invest Wirral team have successfully engaged mentors from its business network, Wirral Business Forum.
<u>The Work Programme</u>	The Government's Work Programme will replace the existing programmes for unemployed people and be the single employment programme for all longer term economically inactive people from the summer of 2011. A number of preferred providers have been identified for the North West and there will be two contractors covering Merseyside, Lancashire and Cumbria. These contractors are yet to be appointed.
<u>ESF</u>	The current ESF Programme runs until December 2013 and provides opportunities to improve the employability and skills of unemployed people and to develop a skilled and adaptable workforce. The Council is maximising resources available through ESF by commissioning a programme of activity, co-financed by the Council, that will support residents in receipt of Incapacity Benefit, Employment Support Allowance and some Job Seeker Allowance customers into employment. The programme will start from the 1 st April 2011 and is expected to deliver 702 job outcomes by May 2012. It will not duplicate provision but complement the Government's Work Programme.

Programme Area	Activity
<u>National Apprenticeship Service</u>	The National Apprenticeship Service (NAS) works with employers and organisations to promote Apprenticeships to employers and learners. Their priority is to ensure they deliver the Government's ambition for more young people to undertake an Apprenticeship with a target for at least one out of every five young people to be undertaking an Apprenticeship programme by 2020. Wirral Council work closely with NAS to deliver the highly successful Wirral Apprentice programme which supports young people in the local jobs market. Further investment by the Council in the programme will create an additional 146 apprentice places to take the total supported to 313. The Wirral Apprentice also supports the growth of small businesses through the package of recruitment and training support that is included in the programme.

9.2 In addition to the programmes outlined above, the council is working closely with the private sector to ensure that investment is maximised and our regeneration priorities are met. Examples include work with Peel Holdings to progress the Wirral Waters development and also work with the HCA and with private sector developers to take forward market renewal schemes. Officers are also continuing to ensure that any external funding opportunities that become available are identified and maximised for the benefit of the Borough.

10.0 THE COUNCIL'S RESPONSE TO THE CHANGING FUNDING LANDSCAPE

10.1 In the budget for 2011/12, agreed at Council on the 1st March 2011, it was agreed that funding would be made available to:

- Continue to support the Wirral Apprentice Programme;
- Provide dedicated business advice and support to Wirral businesses;
- Provide grants to businesses to support growth;
- Support the development of social enterprises and mutuals in Wirral;
- Continue to support investment in housing through a range of energy efficiency measures;
- Enable posts funded through WNF to be made permanent;
- Support further housing investment through the capital programme.

11.0 RELEVANT RISKS

11.1 Each of the regeneration programmes being taken forward will have a detailed risk assessment and analysis in place to ensure that risks are identified and managed appropriately.

12.0 OTHER OPTIONS CONSIDERED

12.1 Options for the delivery of the regeneration programmes covered by this report were addressed at the start of each of the programmes.

13.0 CONSULTATION

13.1 Each of the regeneration programmes has been taken forward in close consultation with partners from the private, public and voluntary, community and faith sectors.

14.0 IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS

14.1 Opportunities for the involvement of voluntary, community and faith groups in the design and delivery of the regeneration programmes is considered by each of the individual programmes.

15.0 RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS

15.1 There are no direct resource implications arising from this report.

15.2 There are no direct legal implications arising from this report.

16.0 EQUALITIES IMPLICATIONS

16.1 Regeneration programmes adhere to current legislation including that relate to equal opportunities. The successful implementation of regeneration projects has the potential to benefit all members of the community and thereby promote equality of opportunity.

16.2 Equality Impact Assessment (EIA)
(a) Is an EIA required? No

17.0 CARBON REDUCTION IMPLICATIONS

17.1 There are no direct carbon reduction implications arising from this report.

18.0 PLANNING AND COMMUNITY SAFETY IMPLICATIONS

18.1 There are no direct planning and community safety implications arising from this report.

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REFERENCE MATERIAL

Information regarding the regeneration programmes outlined in the report can be viewed through the council's website.

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Cabinet – Wirral’s Housing Investment Programme	14 th October 2010
Cabinet - Future Jobs Fund	9 th November 2010
Cabinet – Wirral Apprentice Programme	14 th October 2010
Cabinet – Working Wirral – Working Neighbourhoods Fund	23 rd April 2009