



<b>Council</b>	<b>Tuesday, 05 September 2017</b>	<b>Matter for Information and Decision</b>
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**Title:** **The Proposed Future of the Economic Regeneration Service**

**Author(s):** **Anne Court (Director of Services / Monitoring Officer)**

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## **1. Introduction**

- 1.1. This report follows on from the Budget Options report presented to Council on 6 July 2017 which set out a range of future policy budget options for Members to consider. One of the areas of discretionary spend that Members asked for further information on was Economic Regeneration.
- 1.2. This report sets out what the current Economic Regeneration service does. It also makes a number of proposals as to how the service could be delivered in the future to ensure that it will focus more directly on the Council's key priorities. This report also then identifies that there will be an annual General Fund revenue budget saving.

## **2. Recommendation(s)**

- 2.1. That the Council should continue to invest in proactive town centre management as set out in Section 6.
- 2.2. That the Council should focus and invest in the "harder" and more tangible economic deliverables as set out in Section 4 which will have the most positive impact in the Borough and its economic sustainability.
- 2.3. That the Council should also use this opportunity to focus on new and emerging priorities as set out in section 7.
- 2.4. That the Council should significantly reduce the resources that it has traditionally allocated to the more generic "softer" business development as set out in Section 5.

## **3. Information**

- 3.1. Currently the Economic Regeneration Service is provided to the Council through a shared service agreement by Hinckley and Bosworth Borough Council (HBBC).
- 3.2. This agreement provides the Council with a Principal Economic Regeneration Officer, a Senior Economic Regeneration Officer and an Economic Regeneration Officer. Each post is provided two days per week to the Council by HBBC, amounting to a total of six days per week. The agreement also provides a Town Centre Manager for two days per week. This shared arrangement costs the Council approximately £85,000 per year.
- 3.3. The benefit of the shared service is that it has provided the Council with a range of different skills that it would be difficult to find in a single officer (eg employer support and events, skills development, strategy development, grant sourcing and applications, regeneration, partnership development, community support, property, land assembly and development). It has also enabled both Councils to work together to recruit to posts that have proved difficult to recruit to in the past. This is particularly the case with regards to sourcing the more practical property, land

assembly and development skills required to bring sites forward for development.

- 3.4. Due to a number of factors it is now an opportune time to review the service in order to identify and agree what the Council's Economic Regeneration function needs to focus on and how best to deliver that in the future.
- 3.5. In summary the conclusion has been reached that the Council should cease its existing shared service arrangement with HBBC and instead directly recruit and manage its own Economic Regeneration Team Leader and Economic Regeneration/Town Centre Officer. The Economic Regeneration/Town Centre Officer would then provide the resilience needed for the service and support both the Economic Regeneration Team Leader and the Town Centre Manager. It has also been concluded that the Council should still continue with the existing Shared Service arrangement in relation to the Town Centre Manager. The advantage of these arrangements will be that it would provide the Council with a total of 12 days of resource per week compared to the present 8 days per week.

#### **4. "Harder" Physical Regeneration – Current and Future Focus**

##### **4.1. Projects**

- Preparing and actioning the Compulsory Purchase Order relating to 41 Canal Street to bring a vacant building into active use
- Delivery of a new 3G Artificial Sports Pitch in the Borough
- Delivery of a new Pavilion at Horsewell Lane
- Regeneration of town centre sites by promoting and facilitating the delivery of new development as committed to in the Local Plan and Area Actions plans
- Previous projects include new Town Centre Public Realm schemes and Blaby Road Park refurbishment

##### **4.2. Delivery**

- Assemble the funding packages sufficient to deliver the schemes
- Identifying grant and funding programmes and completing the application process which is a time consuming and drawn out process (e.g. ERDF total successful bids in Borough amounted to grant of £1.5 million available to spend in Borough)
- Stakeholder and public engagement through regular meetings during the development and delivery of projects
- Working closely with the Planning Policy Team to deliver the opportunities and commitments identified and made in the Local Plan (e.g. Local Development Orders – A successful bid to DCLG resulted in a grant of £44,500 awarded to the Council)
- Active promotion of sites through publication of the Investor Prospectus and Developer Forum events
- Tendering and procurement of capital projects and schemes
- Overall management of capital projects and schemes either directly or through contractors
- Acting in the capacity of the client in relation to the procurement and delivery of capital projects and schemes

##### **4.3. Summary**

This work is essential due to the very strong and inexorable link with the Local Plan. This work is concerned with delivering sites that are identified for development in the Local Plan and which the Council has committed itself to deliver. It is essential that

these schemes are delivered in order for the Council to demonstrate that it is achieving what is set out in the Local Plan. For example, in relation to housing, to meet the 5 year housing land supply which if not met would lose the future ability for the Council to control where land is developed in the Borough.

## **5. "Softer" Business Development – Current and Future Focus**

### **5.1. Generic Business Links**

- Maintenance of the Business Database aimed at promoting the businesses and also allowing the Council to engage via mailshots
- Organising, promoting and running Business Breakfasts/Events to provide business support and enable networking – three per year
- Links with other Leicestershire Economic Development Officer to jointly develop projects and initiatives
- Input into the Leicester and Leicestershire Economic Partnership (LLEP)
- Input into the LLEP Strategic Economic Plan (SEP) and attend relevant meetings
- Engage with businesses in the Borough and offer business support and advice
- Links with the River Soar and Grand Union Canal project

### **5.2. Summary**

This work is where the largest proportion of staff expertise exists under the current shared service arrangement, but is probably of lesser benefit to the Borough now and for the foreseeable future. Take up of events and listings on the Business Database is low, despite numerous attempts to promote and better engage with businesses. An element of business support is provided by the LLEP and also, currently, by organisations delivering European Regional Development Fund projects

## **6. Town Centre Management – Current Roles and Responsibilities**

### **6.1. Focused Local Business Links**

- Links Town Centre Groups, business support and events (including traders groups, community groups, charity groups, stakeholder groups)
- Attends meetings
- Provides advice to support and help businesses grow
- Conduit of information between traders in the Borough and Association of Town and City Management
- Provides support to events (including pre event, organisational support, promotion, provision of on the day support and marshalling (including via provision of HBBC staff) - Events include Christmas lights switch on's, Oadby Classic Car Show, Community Events (e.g. the Big Lunch)
- Application for road closures and Liaison with Leicestershire County Council/bus companies etc
- Oversees on the day road closures for events including purchase of traffic management signs, their erection, dismantling and storage

### **6.2. Markets**

- Liaison with market managers, dealing with problems, applications for licences and promotion.

### **6.3. Town Centre Infrastructure**

- Procurement and Installation of free Wi-fi in Wigston Town Centre
- installation of Digital Display Screen in South Wigston and the management of existing Digital Display Screens in Wigston and Oadby town centres – including promotion and weekly updating
- Supports Pride of the Borough including installation of planters and running the Loyalty Card
- Responsible for new public realm infrastructure, for example, the bollard/gate on Bell Street in Wigston
- Partnership working with other town centre managers
- Continually promoting and advocating for the town centres with national retailers and local business. This has resulted in the town centres having one of the highest occupation rates in the region at consistently well over 90% in each town.

#### 6.4. **Christmas Lights**

- Procurement of contractor; day to day liaison with contractor, oversees installation, testing, dismantling and storage of lights
- Purchase of Christmas lights, organisation of maintenance and repair of lights
- Responsible for year round management of infrastructure such as cabling and sockets including maintenance and repair
- Responsible for dealing with problems when the lights are switched on such as weather damage, outages etc and responding to customer enquiries/complaints

#### 6.5. **Summary**

All of the above is provide for by two days a week of a full time post (only possible by sharing a full time post with HBBC). It is considered good value and the importance of this role particularly in relation to Christmas lights and the links with/support to traders and associated community groups in enabling them to deliver events and initiatives and generally help their businesses to thrive through the various initiatives that the Town Centre Manager post delivers, should not be underestimated. Without this role, there would be no-one else to progress this work. A drawback in relation to the shared service arrangement is a lack of resilience. This is particularly apparent when the Christmas lights are up or during events, because during the 60% of time that there post is not at OWBC, there is no-one available to deal quickly with problems that arise (e.g. weather damage, outages etc).

### 7. **Additional Economic Future Focus**

In addition to the pure "like for like" Economic Regeneration service as set out above it is proposed that any new arrangements should also:

- Provide a strong and knowledgeable "client" to drive, guide and scrutinise the work of the Council's new Housing & Development Company to ensure it fulfils the Council's corporate aspirations and priorities
- Drive ad hoc capital projects forward such as the canal footbridge, Tendering Drive etc which the Council has not had the capacity to do and has been a frustration for Members.
- Provide more direct one to one support to town centre retailers, as opposed to the support that is currently offered via traders groups, which is all time under the current arrangement will allow.

### 8. **Proposals**

As set out above a review of the existing arrangements together with an assessment of what needs to be the focus to ensure the future economic development and sustainability of the Borough has highlighted the following:

- 1.** That the Council should continue to invest in proactive town centre management as this works well as set out in Section 6 above.
- 2.** That the Council should focus and invest in the “harder” and more tangible economic deliverables as set out in Section 4 above which will have the most positive impact in the Borough and its sustainability.
- 3.** That the Council should also use this opportunity to focus on new priorities as set out in section 7 above in the future
- 4.** That the Council should significantly reduce the resources that it has traditionally allocated to the more generic “softer” business development as set out in Section 5 above

In order to do this is it proposed that:

- 1.** That the Council should continue to fund and provide a part time (two days a week) Town Centre Manager post on the existing shared service arrangement with HBBC.
- 2.** That the Council ceases its shared service arrangement in relation all of the other aspects of Economic Development and in future that it directly recruits and manages its own staff consisting of an Economic Regeneration Team Leader and Economic Regeneration/Town Centre Officer. The Economic Regeneration/Town Centre Officer would then provide the resilience needed for the service and support both the Economic Regeneration Team Leader and the Town Centre Manager
- 3.** Overall this new arrangement would cost the Council an additional £15,000 per year which would provide the Council with 12 days per week or resource rather than the existing eight.
- 4.** Members should note that accounting rules allow that a proportion of these salaries, as in the future they will be employed directly by the Council, can be legitimately allocated to the specific capital projects and schemes that they work on. This means that these costs can therefore be capitalised and will not have to be funded from the annual General Fund budget as they are at the moment. This was also a recommendation in LGA Peer Review report in March 2017 which was clear that the Council should find and fund the necessary capacity and resource needed to manage and deliver specific projects.
- 5.** This would deliver an overall annual general fund saving of approximately £50,000 resulting in a net saving on a like for like basis of £35,000 per if Members were to accept £15,000 of growth as set out in point 7 above.

This overall approach will mean that the Council is investing in the economic future of the Borough in a focused way and in accordance with the Council’s corporate priorities. It will also be able to do this in a way that can be financed resulting in a net reduction to the annual general fund budget of approximately £35,000 per year.

It is important to note that the Council has the option to put in place the above arrangement but without funding the post of the Economic Regeneration/Town Centre Officer. If that were to be the case then this could result in a total net saving of

£65,000 per year. The service would then have to be tailored to focus purely on the essentials which would primarily be:

- Supporting and delivering the statutory local plan process from a growth perspective in order to deliver the Councils commitments and make sure its statutory planning basis is sound and continues to be defensible.
- Driving forward committed town centre action plan growth
- Acting as the client for the Housing & Development Company
- The Town Centre Manager would have no additional support so there would be no resilience or opportunity to strengthen the function. Only essential work would be carried out.

This option would provide seven days per week or resource rather than the eight days per week at the moment or the 12 days a week that could be the optimum under the proposals set out in this report.

**Background Documents:**

None.

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<b>Implications</b>   The Proposed Future of the Economic Regeneration Service	
<b>Finance</b>	As set out in the body of the report.
<b>Martin Hone</b> (Interim Chief Finance Officer / Section 151 officer)	
<b>Legal</b>	As set out in the body of the report.
<b>Anne Court</b> (Director of Services / Monitoring Officer)	
<b>Corporate Risk(s) (CR)</b>	<input checked="" type="checkbox"/> <b>Decreasing Financial Resources (CR1)</b> <input checked="" type="checkbox"/> <b>Key Supplier/Partnership Failure (CR2)</b> <input checked="" type="checkbox"/> <b>Political Dynamics (CR3)</b> <input checked="" type="checkbox"/> <b>Effective Utilisation of Assets/Buildings (CR5)</b> <input checked="" type="checkbox"/> <b>Organisational/Transformational Change (CR8)</b> <input checked="" type="checkbox"/> <b>Economy/Regeneration (CR9)</b>
<b>Anne Court</b> (Director of Services / Monitoring Officer)	
<b>Corporate Priorities (CP)</b>	<input checked="" type="checkbox"/> <b>An Inclusive and Engaged Borough (CP1)</b> <input checked="" type="checkbox"/> <b>Effective Service Provision (CP2)</b> <input checked="" type="checkbox"/> <b>Balanced Economic Development (CP3)</b> <input checked="" type="checkbox"/> <b>Green &amp; Safe Places (CP4)</b> <input checked="" type="checkbox"/> <b>Wellbeing for All (CP5)</b>
<b>Anne Court</b> (Director of Services / Monitoring Officer)	
<b>Vision &amp; Values (V)</b>	<input checked="" type="checkbox"/> <b>"A Strong Borough Together" (Vision)</b> <input checked="" type="checkbox"/> <b>Accountability (V1)</b> <input checked="" type="checkbox"/> <b>Respect (V2)</b> <input checked="" type="checkbox"/> <b>Teamwork (V3)</b> <input checked="" type="checkbox"/> <b>Innovation (V4)</b> <input checked="" type="checkbox"/> <b>Customer Focus (V5)</b>
<b>Anne Court</b> (Director of Services / Monitoring Officer)	
<b>Equalities &amp; Equality Assessment(s) (EA)</b>	No implications directly arising from this report.
<b>Anne Court</b> (Director of Services / Monitoring Officer)	<input type="checkbox"/> <b>Not Applicable (EA)</b>