

Report of	Meeting	Date
Director (Policy and Governance)	Overview and Scrutiny Performance Panel	8 March 2018

PERFORMANCE FOCUS: BUSINESS DEVELOPMENT AND GROWTH CONTEXT

PURPOSE OF REPORT

1. To provide contextual information and initial questions for focus to the panel for Business Development and Growth performance.

RECOMMENDATION(S)

2. That the context and questions be discussed at the Overview and Scrutiny performance panel, with a view to understanding performance.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

3. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	✓

BACKGROUND

4. In its terms of reference, the Overview and Scrutiny Performance Panel agreed that at each meeting, as well as considering performance reports, the panel have the opportunity to focus in on any specific area of service delivery. For the March 2018 meeting, the panel have selected Business Development and Growth Performance.
5. Business Development and Growth Directorate performance was last considered by the panel in March 2017. The panel considered a number of elements of performance including the new structure and focus of the directorate, the economic development strategy and performance against a number of corporate strategy and key service indicators alongside key projects.
6. The performance outlined within this paper refers to performance at quarter three 2017/18.

7. This report sets out contextual information to provide a general overview of performance and suggests some general questions to initiate further discussions. This will enable the panel and relevant officers to prepare in advance of the meeting.

PERFORMANCE CONTEXT

8. At the performance panel meeting in March 2017, the panel discussed a number of elements of Business Development and Growth performance including the review of staffing resources within the Directorate to establish the skill set and expertise available to ensure all staff were appropriately assigned.
9. The restructure of the Business Development and Growth Directorate was considered by Executive Cabinet in December 2017 where approval was granted for the proposed structure for consultation. The Business Development and Growth directorate is key to delivering the councils priority of a strong local economy and the aim of the restructure is to develop a fit for purpose structure which will have the right skills and capacity to deliver existing services and drive forward economic growth.

Performance Indicators

10. The below table outlines performance against a number of local indicators relating to employment and business support:

		Target (17/18)	Q3 2015/16	Q3 2016/17	Q3 2017/18	
New businesses established with support from Chorley Council	Bigger is better	45	80	67	48	★
New businesses established and sustained for 24 months	Bigger is better	89%	93.41%	92.7%	93.26%	★
Floorspace improved/created (Sq ft) (Chorley BIG)	Bigger is better	3900 Sq Ft	24513 Sq Ft	3652 Sq Ft	3744 Sq Ft	●
Number businesses advised (Existing)	Bigger is better	49	65	49	49	★
Client satisfaction (Start-up)	Bigger is better	90%	97.12%	96.59%	96.84%	★
Client satisfaction (Existing)	Bigger is better	90%	91.14%	96.51%	97.25%	★
Number of referrals into the Chorley Works Placement Programme		75	216	75	127	★

11. Performance in relation to new businesses established, sustained and advised by the Council including client satisfaction is strong, with the majority of related measures rated green and showing similar performance compared to the same time last year.

12. Indicators for new businesses established with support from the council is showing slightly worse performance than the same period last year (Q.3 2016/17) although continues to meet 2017/18 targets.
13. The number of referrals into the Chorley works programme has seen a 69% increase at quarter 3 2017/18, compared to the same period last year.
14. Floor space improved/created was off target for quarter 3 2017/18, although remains within 5% threshold. This indicator is measured based on Chorley BIG (Business Improvement for Growth) grants and is reliant on grants coming forward from businesses.
15. There are a number of Business Development and Growth Corporate Strategy indicators, performance against these indicators can be seen below:

		Target	Q3 2015/16	Q3 2016/17	Q3 2017/18	
Number of jobs created through targeted interventions	Bigger is better	112	137	133	75	▲
Town centre visits (Market Walk)	Bigger is better	232,497	30,223*	-	417,849	★
Number of projected jobs created through inward investment	Bigger is better	40	47	0	0	▲
% of 16-17 year olds who are not in education, employment or training	Smaller is better	4.6%	Not comparable – 15/16 data is for 16-18 year olds	Not comparable – 16/17 data is for 16-18 year olds	2.1%	★
Number of affordable homes delivered	Bigger is better	75	357	60	100	★

*data collected in a different format to 2017/18

16. Two of the Corporate Strategy indicators were performing off target at quarter three – the number of jobs created by council interventions and the number of jobs created through inward investment. More detail on the reasons for this can be found within the quarter three performance Monitoring report but underperformance is mainly due to the lack of grant applications for the councils grant schemes resulting in less than anticipated number of jobs created.
17. All other Corporate Strategy indicators were performing above target with the number of town centre visits (Market Walk only) performing well above target, demonstrating a positive outcome despite continued work on the Market Walk development.

18. It is worth noting that the indicator relating to town centre visits has been removed from the new Corporate Strategy (which will be monitored over 2018/19) as a more robust delivery method is going to be developed and baselined over the next 12 months in line with town centre developments.

Key projects

19. The Business Development and Growth Directorate is responsible for delivering a number of the Council's key strategic projects. A quarter three project status for each of the projects can be found below:

Project	Q3 status	Detail
Progress the delivery of the Westway Integrated sports facility	CLOSED	Extensive work was undertaken with key community stakeholders involved in the development of an integrated sports facility at Westway. However, due to complex interdependencies within the project and conditions linked to planning, funding and partnership arrangements the project has been closed. The delivery of the facility will now be re-scoped.
Deliver the Primrose Gardens Retirement Village for Chorley	GREEN	Project is on track and progressing according to timescale and plan to complete in March 2019.
Deliver economic opportunities at Botany	COMPLETE	<p>This project is now complete and has delivered the masterplan. The masterplan will promote and increase inward investment within Chorley.</p> <p>Further work will be undertaken to bring forward sites for development through the 2017 Corporate Strategy project 'Bring forward key sites for development'.</p>
Deliver a project to get people ready for work (Chorley Futures)	CLOSED	<p>This project set out to deliver the Chorley Futures scheme which aimed to support people with multiple and complex barriers to participate to address these issues and move closer to the job market and therefore job opportunities</p> <p>The project was dependent on 60% European Social Funding being secured in order for it to progress. The project team received confirmation of the pending decision regarding this external funding and a notification of rejection was received from the Department of Work and Pensions (DWP) to inform the Chorley Futures project that the funds would not be awarded.</p> <p>The lack of additional funding was deemed of significant impact the deliverability of the project within the original scope and was therefore closed.</p> <p>Alternative options for delivery will be progressed</p>

		through the new corporate strategy project 'deliver a borough wide programme to help people overcome barriers to employment'.
Market Walk	RED	<p>Work progressed in quarter three to finalise Phase 1 and commence Phase 2 works; however, in November it was agreed that further enabling works would be suspended and no further progress would be made on Phase 2 of the project. This was due to the failure of Marks and Spencer to sign the completed Agreement for Lease. Therefore, due to this the Council did not have authority to proceed onto Phase 2 of this project.</p> <p>N.B This project was considered at Full Council in January 2018 and the decision was taken to progress the option to commission a partial redesign of the layout to increase flexibility in lettings and then to continue the build at the earliest opportunity.</p> <p>This project will continue to be delivered through the 2017 Corporate Strategy.</p>
Deliver Street level improvements	AMBER	<p>Quarter three saw Hollinshead Street car park completed including completion of the snagging and the one way system reversed through implementing new signage and line marking. The project was rated as amber due to a number of elements of its delivery experiencing some delays including:</p> <ul style="list-style-type: none"> • Finding suitable alternative accommodation for Gala Bingo and United Reform Church to enable their sites to be progressed • Officer time and resource being diverted to support other major projects such as Market Walk
Deliver the Steeley Lane Gateway project	AMBER	<p>All of the year one elements around Fazakerley Street are now complete and the procurement of CCTV has commenced. However there continue to be delays with a number of elements of the project meaning that it was rated amber at Q3 2017/18. The key issues are outlined below:</p> <ul style="list-style-type: none"> • There have been further delays with the elements around the bus station, which have now been deferred further until March 2018 to avoid clashes with the Youth Zone development • The Fazakerley Street remedial works are still required and this has been agreed to be delivered in March 2018 • Year 2 subway elements need to be progressed with Network/Northern Rail alongside station

		improvements
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10. More detail on each of the projects can be found within the Quarter three 2017/18 performance report, provided as a separate agenda item.

Questions

11. The following provides some suggested questions to initiate discussions of the panel:

- a) Please provide an overall update on current performance for this Directorate
- b) Please provide an update on performance of each of the projects including actions to address red and amber ratings
- c) How are risks and dependencies within the large town centre projects being managed?
- d) Please provide an update regarding the Business Development and Growth directorate restructure, including detail on any temporary staffing arrangements
- e) Please provide an update on the refresh of the Economic Strategy

IMPLICATIONS OF REPORT

12. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	✓	Customer Services	
Human Resources		Equality and Diversity	
Legal	✓	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Governance	

COMMENTS OF THE STATUTORY FINANCE OFFICER

13. No comments

COMMENTS OF THE MONITORING OFFICER

14. No comments

REBECCA HUDDLESTON
DIRECTOR POLICY AND GOVERNANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Kate Howcroft	5061	27/02/2018	Business Development and Growth performance context