

Report of	Meeting	Date
Performance and Partnerships	Overview and Scrutiny Performance Panel	21 March 2019

PERFORMANCE FOCUS: BUSINESS DEVELOPMENT AND GROWTH CONTEXT

PURPOSE OF REPORT

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

RECOMMENDATION(S)

2. That the context 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. For the March 2019 meeting, the panel have selected the Business Development and Growth directorate. The Business Development and Growth Directorate performance was last considered by the panel in March 2018. The panel considered performance against key service indicators relating to employment and business support alongside the key corporate performance and projects within the directorate.
5. The performance outlined within this paper refers to performance at quarter three 2018/19.

PERFORMANCE CONTEXT

6. At the performance panel meeting in March 2018, the panel considered a number of performance indicators relating to the employment and business support service which demonstrated good performance across the service and the corporate strategy indicators which demonstrated areas of lower than anticipated performance with the number of projected jobs created. The panel also considered the key corporate strategy projects within the directorate.

Key projects update

7. The Business Development and Growth Directorate is responsible for delivering a number of the Council's key strategic projects. An update on quarter three performance for all corporate strategy projects can be seen below:

Project Title	Project Status
Bring forward key sites for development	GREEN
Project update	<p>This project aims to bring forward three key sites across the borough for development; Alker Lane, Cowling Farm and Land East of A49. The main objective for the project is to conduct preliminary works around the three sites, for Alker Lane work is around undertaking site investigations and submitting a planning application, for Cowling Farm work is around the preparation of master plans, establishing stakeholder groups and preparing planning applications and for Land East of A49 work is around preparing planning applications. For quarter three, good progress has been made across all three sites.</p> <p>Alker Lane Work this quarter has delivered a development appraisal to assess the financial feasibility of the development. In addition, an outline planning application has been submitted for the site and a development agreement with the adjacent land owners has been agreed for use of their access road to access the site.</p> <p>Cowling Farm Work this quarter has involved conducting a variety of technical works which has included land and ecological assessments of the site. Two consultations have also been conducted; one with Homes England to produce a joint master plan and one with the public on access arrangements.</p> <p>Land East of A49 Work this quarter has included a review of the sites use options and a consultant team has been commissioned to undertake the planning application.</p> <p>This project will continue as a corporate strategy project for 19/20 and the focus of the work will be around the submission of outline planning applications, conducting site investigations, undertaking ecology and utilities works and the delivery of servicing works.</p>

Risks	<p>The main risks for this project around the three sites are as below:</p> <p>Alker Lane There is a risk around the failure to release covenants on two adjacent houses which could impact on site viability – legal are in the process of reviewing this and a valuation to release the covenant has been commissioned. There are also two water pipes running through the site which could impact on development viability – negotiations with United Utilities are ongoing to agree a diversion for the pipes.</p> <p>Cowling Farm There is risk around the failure to obtain planning consent – a consultant team have been commissioned to assist and advise on preparation of planning application to provide expertise and technical advice.</p> <p>Land East of A49 There is risk around the failure to obtain planning consent in particular that the application has too many onerous conditions resulting in a commercially unviable scheme.</p>
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Project Title		Project Status
Deliver the Primrose Gardens Retirement Village		GREEN
Project update	<p>This project is currently rated as green, with the construction on programme for completion on the 18th March 2019, only one week behind schedule due to adverse weather conditions earlier in the year. Progress this quarter has seen the final stages of construction being completed including the completion of the ground floor apartments, commencement of the lift installation, the completion of live electricity provision in the building and the beginning of works in the main car park with kerb installation commencing. In addition, the procurement of the furniture and fittings is now complete and procurement of the café operator will commence in quarter four.</p> <p>This project will be completing in quarter four and will therefore not be continuing as a corporate strategy project for 19/20.</p>	
Risks	<p>The key risks for this project are:</p> <ul style="list-style-type: none"> • Lancashire County Council fail to pay the £1m capital contribution – there is continued dialogue with LCC regarding this. • Eric Wright Construction fail to deliver the scheme in accordance with the design and build contract – close project management of the build is in place to mitigate this. 	

Project Title		Project Status
Deliver the Market Walk Extension		AMBER
Project update	<p>The programme of works for this project remains on track and is progressing as planned, however this project remains amber due to</p>	

	<p>the current programme being a tight programme of works with many interdependencies, securing remaining incoming tenants within the current retail climate and potential disruption to the existing town centre caused by highway works on Union Street.</p> <p>This project will be continuing as a corporate strategy project for 19/20 and the scope will focus on the completion of the build phase 2, securing tenants for the units which remain vacant and the development of a wider comms and marketing plan in anticipation of the opening.</p>
Risks	<p>The key risks for this project are:</p> <ul style="list-style-type: none"> • The early access dates for REEL Cinema's Ltd and M&S are based on maintaining the current programme – close project management of the build is in place. • Securing remaining tenants in current retail/leisure marketplace –discussions with potential tenants are ongoing. • Potential for disruption to the existing town centre due to planned highway works on Union Street – a plan around the communication to residents regarding disruption is to be put in place.

8. The following table details the allocated budget for each of the projects, an update on the current budget status will be presented at the meeting:

Project	Current budget allocation
Bring forward key sites for development	£700k – this is an income generation reserve to fund initial costs of 18/19 project.
Deliver the Primrose Gardens Retirement Village	£10.591m – this is total budget for entire project duration.
Deliver the Market Walk Extension	£16.1m – this is total budget for entire project duration.

Performance Indicators

Corporate strategy indicators

9. The below table outlines performance against the corporate strategy indicators for the business, development and growth directorate:

		Target	Q3 (2018/19)	
Overall employment rate	Bigger is better	80%	88.8%	★
Number of projected jobs created through Chorley Council support or intervention	Bigger is better	90	64	▲
The % of 16-17 year olds who are not in education, employment or training (NEET)	Smaller is better	4.6%	1.7%	★

10. Performance against two of these indicators is good, with the overall employment rate for Chorley continuing to increase and the % of 16-17 who are not in education, employment or training continuing to decrease, meaning overall there are more people in employment across the borough.

11. Performance is lower than anticipated for the number of projected jobs created through Chorley Council support or intervention this quarter with 64 created jobs against a target of 90. The lower than anticipated number of projected jobs created is due to the current offer for businesses (Choose Chorley grant and the BIG grant), which incentivise job creation, have criteria that is restrictive and is limiting more businesses to access the grant funding. To ensure that the criteria enables the grants to be more accessible to the right types of businesses, the criteria for the grants will be reviewed. There also remained some vacancies within the team in quarter three which impacted the capacity to deliver business events and the development of relationships with local businesses.

Employment, skills and business support

12. As part of the local indicator review (March 2018) significant changes were made to the local indicator set for the employment, skills and business support to better reflect the work of the service and in particular capture the work around the business support programme which is being delivered as part of the European Regional Development Fund for the Digital Office Park. Below is the performance against these new indicators.

		Target	Q3 (2018/19)	
ESB 24 - Number of existing Enterprises receiving support for 12 hours - European Regional Development Fund	Bigger is better	15	14	
ESB 25 - Number of new Enterprises supported for 12 hours - European Regional Development Fund	Bigger is better	7	7	
ESB 26 - Number of businesses referred/supported by Chorley Council	Bigger is better	180	336	
ESB 27 - Number of businesses attending Council business/networking and engagement events	Bigger is better	225	268	

13. Performance against the majority of these performance indicators is positive for 2018/19.

14. Both ESB 24 and 25 measure the performance of the business support programme which provides consultancy support to existing and new small and medium enterprises as part of the European Regional Development Funding we have received for the Digital Office Park.

15. Performance against the number of existing enterprises receiving support for 12 hours is performing slightly below target. This underperformance is due to resourcing across the service meaning that vacant posts are impacting upon the resource available to deliver dedicated activity towards this output. Once in place, this additional resourcing will enable more activity to be delivered that will contribute towards this indicator such as holding a series of workshops with key businesses to provide a greater level of support.

Property Services

16. The below table outlines performance against a number of local indicators relating to property services:

		Target	Q3 (2018/19)	
PRS 01 – % reactive repair orders logged and issued on time within the Tech Forge system within Priority ratings (emergency/urgent/routine)	Bigger is better	90%	94.52%	
PRS 03 – % land ownership enquiries replied to within 3 working days	Bigger is better	99%	83.3%	

PRS 04 – Average time to issue valuation letter to resident following request for low cost housing valuation	Smaller is better	15Days	4.5Days	★
PRS 05 – Average time to issue offer letter to resident following request to purchase freehold reversion	Smaller is better	10Days	1.3Days	★

17. Performance against three of the local indicators is good with all three performing above target. The % of land ownership enquiries replied to within 3 working days is off target due to one enquiry exceeding the deadline, this was due to a lengthy process to obtain relevant archived plans and relevant deeds needed to respond the enquiry sufficiently.

IMPLICATIONS OF REPORT

18. 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

19. No comments

COMMENTS OF THE MONITORING OFFICER

20. No comments

REBECCA HUDDLESTON
DIRECTOR POLICY AND GOVERNANCE

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Rebecca Aziz-Brook	5348	14.02.2019	Business Development and Growth performance context

Appendix A – corporate and service level indicators for Business, Development and Growth

Indicator Name	Polarity	Target Value	Performance Quarter 3	Symbol	Trend
Corporate Strategy Indicators					
Overall employment rate	Bigger is better	80%	88.8%	★	Better than Q3 17/18
Number of projected jobs created through Chorley Council support or intervention	Bigger is better	90	64	▲	No comparable data
The % of 16-17 year olds who are not in education, employment or training (NEET)	Smaller is better	4.6%	1.7%	★	Better than Q3 17/18
Employment, Skills and Business Support					
Client satisfaction with the service received from Chorley Council	Bigger is better	80%	100%	★	Better than Q3 17/18
Number of enquiries to Economic Development Service	Bigger is better	973	914	▲	Worse than Q3 17/18
Number of existing Enterprises receiving support for 12 hours - European Regional Development Fund	Bigger is better	15	14	▲	No comparable data
Number of new Enterprises supported for 12 hours - European Regional Development Fund	Bigger is better	7	7	★	No comparable data
Number of businesses referred/supported by Chorley Council	Bigger is better	180	336	★	No comparable data
Number of businesses attending Council business/networking and engagement events	Bigger is better	225	268	★	No comparable data
Market Walk, Markets and Town Centre					
% occupancy of the covered market	Bigger is better	95%	94.3%	●	Better than Q3 17/18
Markets Income	Bigger is better	£281,250	£277,763.86	●	Worse than Q3 17/18
Vacant Town Centre Floor Space	Smaller is better	6%	4.28%	★	Better than Q3 17/18
Market Walk Footfall	Bigger is better	2950100	2929704	●	Better than Q3 17/18
Property Services					
% reactive repair orders logged and issued on time within the Tech Forge system within Priority ratings (emergency/urgent/routine)	Bigger is better	90%	94.52%	★	Better than Q3 17/18

% land ownership enquiries replied to within 3 working days	Bigger is better	99%	83.3%		Worse than Q3 17/18
Average time to issue valuation letter to resident following request for low cost housing valuation	Smaller is better	15Days	4.5Days		Worse than Q3 17/18
Average time to issue offer letter to resident following request to purchase freehold reversion	Smaller is better	10Days	1.3Days		Worse than Q3 17/18

APPENDIX B – all service level business plan projects for Business, Development and Growth

Project	Status
Development and Regeneration	
Deliver Primrose Gardens	Ongoing
Deliver the Garden of Reflection as part of the Corporate Strategy Project Develop Astley Hall and Park as a visitor destination	Complete
Progress Westway Sports Campus	Ongoing
Deliver Harpers & Coronation Rec improvements	Complete
Progress King George V Improvements	Ongoing
Implement Central Lancs Local Plan Team and Commence the programme	Ongoing
Implement Exacom Software for Planning Obligations	Ongoing
Proactively manage the affordable housing programme	Ongoing
Assessment of Impact on service area/resources due to policy proposals within MHCLG consultation 'Supporting Housing through Developer Contributions' and NPPF2	Ongoing
Delivering team wide Website improvement – true signposting and clarity of information for Planning Policy / CIL / S106/POS.	Ongoing
Implement Agent Liaison Meetings	Complete
Manage the evidence based programme for the local plan	Ongoing
Yarrow Meadows - master plan delivery	Ongoing
Delivery of the open space strategy action plan	Ongoing
Markets, Market Walk and Town Centre	
Deliver the Market Walk extension & associated works / increased parking provision	Ongoing
Future of Chorley Town Centre including developing a vision, consultation & a re-fresh of 2016 masterplan document	Not Started
Review of car park strategy including electric vehicle strategy	Not Started
Major contracts renewal in 18/19 – NSL / Securitas / Shop Mobility / Christmas Lights & Facilities Management for Market Walk	Ongoing
Town Centre Events / 3 rd party events (gazebo hire) i.e. Christmas attraction /Taste of Chorley / Canal Fest/ Adlington Carnival	Ongoing
Property Development and Business Growth	
Bring forward key sites for Development	Ongoing
Deliver the Strawberry Fields Digital Hub	Ongoing
Develop a Chorley Economic Development Strategy	Ongoing
Develop a Lettings Procedure/Process for the Digital Office Hub	Complete
Develop a Business Engagement Strategy	Ongoing
Deliver the One Public Estate Project	Ongoing
Support Delivery of the Market Walk Extension	Ongoing
Re-tender the Council's facilities management contracts	Ongoing
Review of Garage sites and agree a retention, disposal and maintenance programme and associated rent review	Ongoing
Produce an asset Management Plan	Ongoing