

PRIORITY 5

WE WILL ATTRACT SUSTAINABLE INVESTMENT AND CREATE QUALITY JOBS

Lead Member / Lead Officer – Cllr Fred Jackson & Carl Baker

In **Priority 5** we say that we will **attract sustainable investment and create quality jobs**. This means that we will:

- Encourage the diversification of industry in the town;
- Encourage business growth; and
- Create quality, sustainable jobs.

Challenges 2013-15

Our focus this year will be to:

- Develop the Central Business District area, creating construction supply chain jobs and attracting retail and food lettings;
- Commence new construction schemes;
- Sell and lease surplus Council land and buildings and land to encourage new investment and job creation;
- Support growth oriented businesses within Blackpool & Fylde Coast to access targeted growth programmes (coaching , mentoring, innovation, finance); working in partnership with the private sector to promote economic growth and job creation;
- Offer targeted grants and commercial loans and capital grants through the Council's Blackpool Investment Fund, aligned with Lancashire wide funding schemes;
- Encourage inward investment into Blackpool and the Fylde Coast, developing key industrial sites and ensuring adequate employment land for business uses;
- Detailed development of the tramway link to Blackpool North;
- Continue to work with prospective investors to develop the Central Station site into a year round quality tourist attraction;
- Deliver targeted employment programmes to match work-ready long term unemployed residents with relevant job and apprenticeship opportunities;
- Help young people to find employment.

Current Activity – activity during 2013/14

Develop the Central Business District area, creating construction supply chain jobs and attracting retail and food lettings:

The Council has used the development of the Central Business District to encourage contractors to generate local construction jobs and apprenticeships. The College led *Blackpool Build Up* scheme was particularly successful in placing unemployed residents – some 369 found work during the build phase - together with an additional 28 work experience placements. Build Up is a success story in its own right having helped over 3,500 local people into work in its 6 years of existence, set up and financed in its first 4 years by

the Council's Local Enterprise Growth Initiative (LEGI), and recently cited as national best practice by Ofsted.

A small number of construction supply chain apprenticeships (8 in total) have been created, however due to the short term nature of the contract it has been difficult for contractors to commit to the minimum 12 months required for an apprenticeship. Work is currently underway to develop a Shared Apprenticeship scheme for construction contractors. This allows contractors to take on an apprentice for a fixed period of time through an agency route without committing to the full length of an apprentice.

The handover of the new Council offices, Bickerstaffe House, was completed on 31st March 2013. There has been a considerable interest in the retail lettings space on the ground floor of the building, with approximately 70% of the space having been let already including the Council-run gym and a quality café-eatery. The office space on the first floor of the building is still available for let.

The supermarket site has now been handed over to Sainsbury's and recruitment is on schedule with the majority of the 350 jobs going to local people. The store is anticipated to open in late July 2014. Sainsbury's has worked closely with the Council and other partners over the recruitment phase, conducting open days, and offering advice over the online recruitment process. We are aware of 6 Work Programme customers (of Positive Steps) gaining employment, but this could increase as the recruitment will continue up to six months after the store opens as Sainsbury's anticipate some staff turnover in the initial period.

Commence new construction schemes:

A number of new construction schemes have commenced in 2013/14:

- The sea defence schemes in Rossall and Anchorsholme have created approximately 98 jobs to date.
- The building contract for the new merger between Collegiate High School and Bispham High School has been agreed and work will commence soon.
- Work is progressing on the new Mental Health facility at Whyndyke farm. Build Up report assisting 28 residents into construction jobs to date.

Support business growth and job creation:

Blackpool Council's Economic Development Division comprises two inter-dependent teams: the *Business Support* team, which assists new and existing businesses with the potential to invest and create jobs; and *Positive Steps into Work*, targeting a range of work-focussed guidance and support to unemployed residents.

The primary aim of the *Business Support* team is to support new and existing businesses to start up, survive and thrive; as well as engage with existing businesses to unlock investment and promote growth and job creation wherever possible. This small but active team is headed by a Business Growth Manager, appointed in 2013 to help direct the team and develop mutually beneficial links with external partners who are able to directly assist our business community.

One of the core services of the team includes Get Started, Blackpool's lead enterprise service supporting new start businesses in the very early stages of setting up in business. This work is detailed in the Priority 5 report.

The focus in this report is on the support we provide and lever for more established businesses that are capable of growth and job creation.

Finance is one of the key constraints to facilitating investment, especially where there is a degree of risk involved that traditional lenders are unwilling to take.

In September 2013 the Council launched its own loan and grant scheme called *Blackpool Investment Fund*. The fund is largely financed from interest earned from previously successful commercial loans, together with some town centre ring fenced grant funds provided by the government. The fund value of sub £1m is small at present but intends to plug the gap on any investments to bring them to fruition. Its primary targets includes supporting investment in Blackpool Town Centre, South Beach District Centre, together with existing businesses with growth potential, and young growth oriented businesses in the first three years of trading.

The fund can be used to finance property improvements or expansion, the purchase of essential machinery and equipment and for associated infrastructure. Some 53 expressions of interest have been received to date, with 6 projects gaining formal approval including refurbishment work at the former Regent Cinema; a design study required by Blackpool Grand Theatre to unlock a £700k Arts Council capital grant; opening a new wedding and events venue in under-utilised space at VIVA showbar; a loan to purchase expansion land for a growing food processing company; a loan towards fit-out costs of a new café eatery at Bickerstaffe House; and co-funded grant support towards a new audio-video production facility in Clifton Industrial area. Between them these schemes will create 26 full-time jobs, with the potential for up to 100 more.

Blackpool Investment Fund is aligned to a number of regional growth fund capital grant schemes worth £16.5m available in Lancashire. These include *Accelerating Business Growth (ABG)*, as well as the *FUSE* initiative. ABG is aimed at established companies seeking capital grant towards investment projects including machinery acquisition, property improvement, building expansions and infrastructure improvement. Typically grant is allocated at 20% of the total project cost up to a maximum £150k grant. The FUSE scheme is aimed at businesses in the first 3 years of trading with a grant intervention rate of 25% up to a maximum of £50k. Priority is given to the manufacturing sector and other business-to-business companies. Both schemes link grant aid to job creation and the Council insist any applicants to our fund must demonstrate that they have explored these schemes first.

One example of how a local business has benefited from business support during 2013/14 is that of the Nutrition Group, a family-owned food supplement and health product manufacturer based in Bispham. With the help of growth funding the company has relocated to a new 75,000sqft industrial unit in the Clifton area of Blackpool, gaining a £150k ABG grant towards a £1.8m investment. The move to set up a new plant has boosted its workforce by 15 to circa 100, with the potential for more jobs to be created as sales continue to grow. The Council also assisted with its recruitment needs, offered clear planning and building control advice, and even assisted with a gating order to improve security and site access. This rounded approach demonstrates how a range of services within the Council can come together to support a growth oriented company that has now taken up industrial space that had lain idle for a number of years.

The *Business Support* team help to broker and refer businesses to other advice, guidance, coaching and mentoring via the Lancashire business growth hub, called *Boost Business Lancashire*. Boost aims to help businesses realise their potential by providing simple access to a range of funding and specialist business support, including:

- **Access to Finance** – impartial specialist advisors who help businesses broker finance

- **GrowthAccelerator +** - a national programme helping companies achieve year on year growth of 20% through business development, commercialising innovation and leadership development (growth coaching in essence)
- **Growth Mentoring** - independent support from business mentors
- **Lancashire Forum** – a peer network and business masterclasses delivered by Lancaster University
- **Sector Specific (Consultancy) Support** – aimed at creative & digital, energy/environmental, advanced manufacturing, aerospace and finance and professional sectors.

A number of business support events have been held during 2013/14 including an 'Inspiring Business Success' seminar in March 2014 for businesses and individuals looking to start a new business as well as interested in tapping into the Boost programmes. Over 100 delegates attended this event.

One of the biggest developments in 2013-14 has been the roll out of Superfast fibre optic broadband network across Lancashire aiming to link 97% of homes and businesses in the county by the end of 2015. Superfast Lancashire is a collaboration between Lancashire County Council and BT (as preferred deliverer), and is being funded by the European Regional Development Fund, BT, BDUK, and Lancashire County Council, supported by Blackburn with Darwen and Blackpool Councils. The project will be of significant benefit to Lancashire premises that currently receive downstream speeds of less than 2Mbps (around 15% of premises at present according to Ofcom). Superfast Lancashire investment is expected to boost the local economy by creating around 2,500 jobs and protecting more than 1,200 jobs over the next few years.

The Council's Business Support Team is working closely with BT on its subsidiary business support programme which aims to bring businesses up to date with latest thinking around issues such as cyber security, cloud technologies, and social media for business with expert speakers and a demo facility at the Lancashire Business Park in Leyland, and held an event in May to promote the offer to around 100 Fylde Coast businesses.

Employment & Apprenticeships

The Council's lead adult employment services team – Positive Steps into Work – has been extremely busy delivering employment programmes throughout 2013/14.

Its largest area of work is delivering the government's *Work Programme* under a sub contract arrangement to a large private employment services company. This covers the Fylde Coast area but is largely populated by long term unemployed Blackpool residents needing assistance preparing for, securing and sustaining a job. The Work Programme is a mandatory programme for any working age welfare claimants who are judged capable of work and haven't managed to do so within a year of claiming benefit (less for some younger and more complex claimants). These customers are assigned to Positive Steps and stay with them for up to 2 years unless they move into permanent work. After 2 years they return to the Jobcentre.

A number of other smaller targeted contracts have been secured by Positive Steps including:-

- *Healthy Futures* – a dedicated employment advisor working with long term unemployed residents with a history of drug and alcohol dependence who have been through a detox programme, or HIV. The main focus has been to change attitudes towards work, help them gain employment, and reduce dependence on clinical services (that are not set up to provide employment advice).

- *South Beach/Claremont Selective Licensing* – good quality employment advice was identified as a gap in the support offer to individuals and families identified during the house to house process. Many were distant from any public support. The focus will now switch to the Claremont area.
- *Redundancy Response and Careers Advice* – the Council has funded employment, self employment and careers support to assist its own staff facing redundancy over the next 2 years. The team secured and delivered a National Careers Service in late 2013 and used this to aid 221 people with information, advice and guidance on career options to the end of March 2014, including 61 Council beneficiaries at risk of redundancy. Advice to Council staff included support to create or update their CV, attend mock interviews, short training courses, as well as money advice and self employment options.

Combined, Positive Steps helped 382 people into a job in 2013-14, its best year ever since it was established in 2007, carrying on the excellent work that was rewarded with a Council Outstanding Team of the Year Award in 2013.

Help Young People Find Work

A great deal of work is underway to increase the numbers of young people entering into employment through apprenticeships. The number of apprenticeship starts in Blackpool has doubled from 940 in 2008/09 to 2,000 in 2012/13; however more needs to be done to increase the take up of apprenticeships by those in the 16 – 18 age group.

The Council has led a partnership campaign along with the National Apprenticeship Service to create 100 Apprenticeships in 100 days for 16 – 18yr olds. The campaign was launched in the summer and included both a business event and a series of road shows targeted at young people and parents. The campaign significantly exceeded its target with approximately 163 apprentices started during the campaign, 47% higher than the previous year.

This has been supplemented by the Council's own targeted approach to creating apprenticeship opportunities across departments, the subject of a scrutiny review in 2013/14.

The Council has facilitated the establishment of the Blackpool Provider Group, a partnership of colleges and training providers who deliver significant numbers of apprenticeships in Blackpool. The Group has committed to an Apprenticeship Growth Plan to tackle youth unemployment. The Council is also currently working with Blackpool and the Fylde College to reduce the numbers of young people who are not in education or training by introducing amore flexible roll on roll off curriculum.

Following the cessation of funding for the Enterprise Education programme in schools, the Council have undertaken a number of activities to ensure that the spirit of enterprise is developed within our young people:

- Enterprise clubs in schools for 14-16 year olds to support enterprise education projects – participating schools include Collegiate, Highfield, Highfurlong, Palatine, Park, St. Georges, St. Mary's and Unity;
- Enterprise clubs for 18-24 year olds to support young people setting up their own business; and

- Young Enterprise Ambassadors mentoring programme to provide support to those participating in enterprise clubs – 15 business mentors have now been trained to work with schools.

Positive Steps has also tapped into government funded wage subsidies for long term unemployed people aged 18-24. This has proved attractive to some employers.

Inward Investment & Key Sites

The renewal of Blackpool is one of six key priorities identified in a new Strategic Economic Plan for Lancashire, submitted to government in March 2014 by the Lancashire Enterprise Partnership (LEP).

The growth plan acknowledges the pursuance of a more strategic approach to intervention, concentrating on what Blackpool can do best, and emerging positive evidence of renewal in Blackpool.

In 2010 the public sector invested significant resources to secure the town's iconic leisure assets including Blackpool Tower and Winter Gardens. Investment was secured to radically overhaul the tram system into a modern public transport facility, reengineered sea defences creating a world-class promenade with distinctive large areas of open space. In the last three years, and for the first time since the 1980s, the town has seen a year-on-year growth in tourist numbers.

Blackpool is well served by road and rail networks and is therefore capable of connecting into other economic opportunities within Lancashire and beyond. These include local opportunities for manufacturing and commercial developments on the wider Fylde Coast, including areas such as Hillhouse Industrial area in Thornton (with its cluster of advanced chemicals and materials businesses) and Warton's Enterprise Zone; electrification of the main railway line, in addition to the M55, means that Blackpool is also well placed to capitalise on the significant infrastructure improvements and employment opportunities created across Lancashire.

The renewal of Blackpool requires growing the visitor economy and establishing the development of other key new sectors, such as the energy sector.

Key initiatives have been identified to help drive this, including:-

- Transformational intervention in the housing market;
- Continue to work with prospective investors to develop the Central Station site into a year round quality tourist attraction
- Major casino licence (in support of a major attraction or conference venue);
- Town Centre transport interventions including the Tramway Extension and a North Station / Talbot Gateway Transport Interchange
- A new Energy Skills College catering to the needs of existing and new energy industry skills needs

The plan sets out a range of capital and other requests of government needed to unlock growth within Blackpool and Lancashire across housing, transport, tourism, education and business support programmes and the resulting financial offer will be known in mid-autumn 2014.

The Blackpool, Fylde and Wyre Economic Development Company (EDC) will continue to lobby for further public and private inward investment into the area, developing key industrial sites and ensuring adequate employment land for business uses. The recent award of Assisted Area Status for a large part of the coastal conurbation will further aid the attractiveness of the area to business investment.

Challenges 2014/15

Our focus for next year will be to:

- Secure the best possible growth plan deal for Blackpool (via Lancashire Enterprise Partnership and government).
- Maintain progress on key regeneration programmes such as Central Business District, , sea defence scheme, Winter Gardens/cultural quarter, school rebuilding projects, and housing developments to deliver high quality developments and job opportunities;
- Secure future sale or use of Progress House Development Area;
- Detailed planning in preparation for the tramway linkage scheme;
- Continue to work with growth oriented businesses to unlock investment and job opportunities;
- Connect long term unemployed into available jobs; and increase the availability and take up of apprenticeship opportunities; investigate traineeships as a lead in for those not ready for a full apprenticeship;

Key Actions & Performance Indicators for this Priority

Details of the key actions and performance indicators for this priority can be found below.

Priority 5 Key Actions

Key – Overall Progress:



On track



Not on track but being managed by the department to bring back on track



Not on track and needs support from outside the department to bring back on track

Objective	Key Action	Milestones	Deadline	Dept	Team	Overall Progress
Redevelopment and regeneration	Delivery of regeneration and redevelopment of the Central Business District site	<i>Project management of Phase 1 construction contracts to completion</i>	<i>May 2014</i>	TS	Property & Asset Management	
		<i>Work with MUSE and their agents to secure retail and speculative office tenancies for Council office and multi-storey car park</i>	<i>Dec 2013</i>			
		<i>Work with MUSE to develop viable Phase 2 proposals including liaison with Network Rail, Wilkinsons and prospective hotel / leisure operators</i>	<i>Dec 2013</i>			
	Coordinate and manage the Priority Schools Building Programme via the Education Funding Agency	<i>Highfurlong Special School Bispham / Collegiate merger South Shore Academy (formerly Palatine Sports College) Haweside Primary School</i>	<i>Mar 2015</i>	TS	Property & Asset Management	
			<i>Mar 2015</i>			
			<i>Mar 2015</i>			
			<i>Mar 2015</i>			
Sea Defence Scheme (Fylde Coastal Partnership)	<i>Obtain confirmation of funding for Anchorsholme sea wall Commence delivery of Anchorsholme and Rossall sea wall</i>	<i>Aug 2013</i>	LOS	Capital Projects		
		<i>Nov 2013</i>				
New hospital site						
Support business growth and job creation	Promote access to high growth coaching, HR and expert support to SMEs with growth potential in the first 36 months of trading	<i>New LEAP scheme to be launched as part of the Lancashire Business Growth Hub</i>	<i>Jun 2013</i>	RTC	Economic Development	Green
	Ensure Blackpool and Fylde Coast SMEs that are in a position to invest are aware of and able to access relevant business growth support services	<i>Launch of Lancashire Business Growth Hub, associated CRM system and related interventions Targeted events to promote awareness of business support (e.g. Accelerated Business Grant, Fuse Grant)</i>	<i>Jun 2013</i>	RTC	Economic Development	Green

Objective	Key Action	Milestones	Deadline	Dept	Team	Overall Progress
	<i>Ensure there is a joined up approach to enable local residents to benefit directly from jobs arising from key investment opportunities</i>	<i>Contribute to key recruitment drives and employment of key groups</i>	<i>Mar 2014</i>	<i>RTC</i>	<i>Economic Development</i>	
	<i>Roll out of the Superfast broadband network to Blackpool, and associated business support programme</i>	<i>Fibre optic network is planned for 2014/15 Business support programme has been running since mid 2013</i>	<i>June 2015</i>	<i>RTC</i>	<i>Economic Development</i>	Green
	<i>Develop opportunities and pathways for long term unemployed residents to move into work</i>	<i>382 people helped into work via ongoing delivery of Work Programme and other employment initiatives as detailed</i>	<i>March 2014</i>	<i>RTC</i>	<i>Economic Development</i>	Green
	<i>Improve take up of apprenticeships by 16 – 18yr olds and the number of apprenticeship opportunities in the summer “100 in a 100” campaign</i>	<i>“100 apprenticeships in a 100 days” completed resulting in increase on previous year</i>	<i>July 13</i>	<i>CS</i>	<i>Early Help for Children & families</i>	Green
		<i>Council scrutiny of apprenticeship policy and practice</i>	<i>March 14</i>	<i>Various</i>	<i>Various</i>	
Disposal of Council assets	<i>Undertake strategic review of the investment portfolio and secure strategic acquisitions to drive regeneration, increase yields and encourage further private investment</i>	<i>Review how and why property is held</i>	<i>Mar 2014</i>	<i>TS</i>	<i>Property & Asset Management</i>	
		<i>Identify poor performing properties for disposal</i>				
		<i>Identify better quality premises in strategic locations for acquisition to encourage further private investment</i>				
		<i>Review portfolio mix to include more manufacturing and industrial sites</i>				

Priority 5 Performance Indicators

Key – Performance Trend:

- ✓ Performance is improving
- ✗ Performance is getting worse
- Performance is staying the same
- Data not due to be reported this quarter

Indicator	Total 2013/14	Target 2013/14	Total 2012/13	Trend	Comments
Employment rate of working age Blackpool residents	68.1% (2013)	-	68% (2012)	-	National statistics monitoring
Unemployment number & rate (year on year comparison – March 2013, 2014)	4,839 (5.5%) March 2014	-	6,027 (6.8%) March 2013	✓	Monthly claimant count
Levels of young people not in employment, education or training (NEET) (aged 16-18)	6.8% (360) in 2013	-	8.1% (450) 2012	✓	Local authority NEET figures provide an annual estimate, based on average figures for November to January each year.
Apprenticeship Starts (Blackpool) All starts Aged 16-18	N/A	-	All starts 2000 Aged 16-18 330	✓ ✗	Latest statistics. Not available yet for 2013-14. Trend status compares with 2011/12 (1940 all starts, and 370 starts for 16-18 yr olds)
No. of apprentices in post (Council)	43	43	8	✓	2012/13 total for 2012 calendar year