

# **CULTURE, TOURISM & ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

**Agenda Item 10**  
Brighton & Hove City Council

**Subject:** **Local Area Agreement – 2009/10 progress update**  
**Recession relief work phase 2 performance focus**

**Date of Meeting:** **1 July 2010**

**Report of:** **The Director of Housing, Culture & Enterprise**

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**Wards Affected:** All

## **FOR GENERAL RELEASE**

### **1. SUMMARY AND POLICY CONTEXT:**

1.1 This cover report summarises performance against the Local Area Agreement during 2009/10 and within the appendix are a number of LAA delivery plans, some of which fall under the direct responsibility of Culture & Enterprise Directorate and others that do not – they all reflect the remit of this committee.

### **2. RECOMMENDATIONS:**

- 2.1 That the committee have an up to date overview of performance against key indicators within the Local Area Agreement.
- 2.2 That members of this committee consider and suggest another area of focus for overview
- 2.3 That the committee reflects upon the detail in the report and use this information to direct and recommend future work to improve performance against the agreed priorities in the Local Area Agreement.

### **3. BACKGROUND INFORMATION**

- 3.1 A Local Area Agreement (LAA) is a partnership agreement to take action to tackle the area's most important problems and goals for the future. It is a three year agreement between the council and other public services. 35 key targets are included which are priorities agreed between the council, other public services and the government.

The council, as the area's democratic voice, takes the leading role. It brings together other public services, and representatives of local businesses, and community and voluntary organisations, in the Local Strategic Partnership. This partnership negotiated the Local Area Agreement, a practical plan to move forward the longer term aims set out in the community strategy. Local Area Agreements in this form have been agreed for all parts of England for 2008-11. This is a requirement of the Local Government and Public Involvement in Health Act 2007.

It should also be noted that GOSE allowed us to put a case forward for renegotiating economic and employment related targets due to the recession. These have been agreed.

- 3.2 The appended report contains 15 09/10 delivery plans for the priorities within the Local Area Agreement in Brighton & Hove. A wide variety of LAA plans are included due to the wide remit of this committee.

- 3.3 Of the 10 plans within the appendix, 1 are red, 2 amber, 6 green and 1 grey:
- Areas where performance is off-track is the numbers of 16-18 year olds not in education, employment or training (NEET).
  - Areas in need of improvement (amber) are the percentage of the adult population who are participating in sport or active recreation, and the number children in organised school visits to museums.
  - The area tagged grey (Brighton Centre Development) does not have results or targets to make a valuable judgement of progress. In this case, judgements against progress should be taken from the information presented in the detail of the plan and in the case of this area of work is making positive progress against their activities at this point in the year.

The remainder of this report focuses on recession relief work and the latest available information about Brighton & Hove's economy.

### **4 PERFORMANCE FOCUS – RECESSION RELIEF WORK**

- 4.1 To overcome the time lag present with national data Brighton & Hove commissioned Experian to produce forecast data for our economy. Using these forecasts we are in a position to measure the economic impact of the recession for Brighton & Hove. Between 2005 and 2010 the total Gross Value Added (GVA) produced by the Brighton & Hove economy is predicted to have grown from £4,207,500,000 to £4,830,790,000 – a total change of 14.8%, or £623.29m. It is important

to note that these figures should be taken as a guide to economic performance, and that there are slight discrepancies between Experian and Office for National Statistics data on GVA.

- 4.2 Within the overall growth it is important to recognise the effect of the economic downturn in 2009 with Brighton & Hove's economy contracting by 3.29%. However, this compares extremely favourably to the UK as well as the South East and similar sized cities in the South. Also, while economic growth in 2008 and 2010 has been less than in the previous years up to 2008, Brighton & Hove is outperforming all comparators for both years again, a strong indication of the resilience of our local economy. Full details of the city's economic performance since 2005 can be found in the following table:

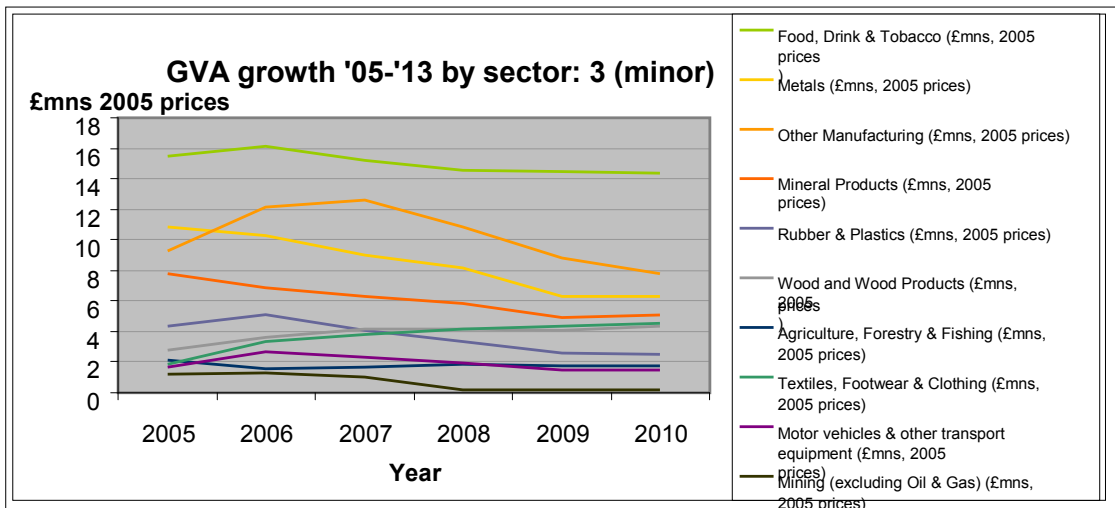
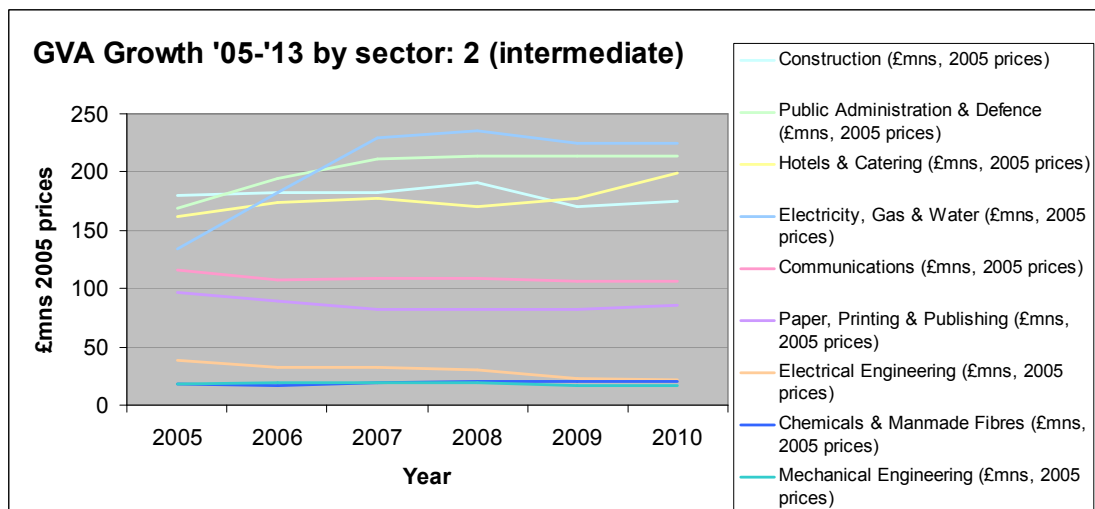
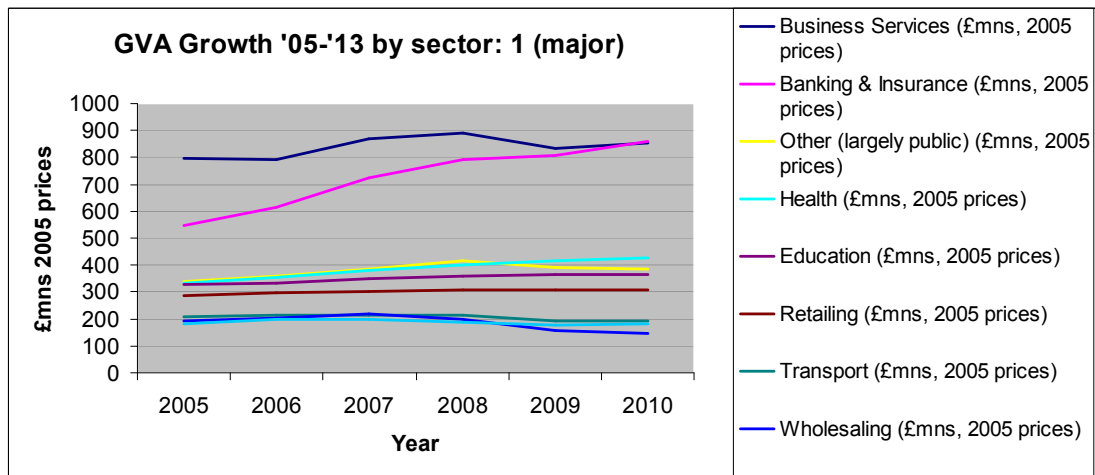
	2005	2006	2007	2008	(estimate) 2009	(estimate) 2010
<b>Brighton &amp; Hove</b>						
<b>Total GVA (£M)</b>	<b>4207.5</b>	<b>4423.28</b>	<b>4765.38</b>	<b>4885</b>	<b>4724.3</b>	<b>4830.79</b>
<b>% change</b>		<b>5.13%</b>	<b>7.73%</b>	<b>2.51%</b>	<b>-3.29%</b>	<b>2.25%</b>
<b>South East</b>						
<b>Total GVA (£M)</b>	144776.4	150685.5	155539.3	156941.5	149866.5	152428.7
<b>% change</b>		4.08%	3.22%	0.90%	-4.51%	1.71%
<b>UK</b>						
<b>Total GVA (£M)</b>	1013048	1045450.1	1078462	1085213	1027726	1036702
<b>% change</b>		3.20%	3.16%	0.63%	-5.3%	0.87%
<b>Portsmouth</b>						
<b>Total GVA (£M)</b>	3420.41	3465.74	3532.57	3540.1	3339.73	3383.17
<b>% change</b>		1.33%	1.93%	0.21%	-5.66%	1.30%
<b>Southampton</b>						
<b>Total GVA (£M)</b>	4018.52	4106.29	4163.09	4174.01	3954.32	4006.56
<b>% change</b>		2.18%	1.38%	0.26%	-5.26%	1.32%
<b>Bristol</b>						
<b>Total GVA (£M)</b>	8850.49	8869.17	9040.52	9222.81	8656.4	8621.06
<b>% change</b>		0.21%	1.93%	2.02%	-6.14%	-0.41%

*Source: Experian Business Strategies 2010*

(estimates based on national data and local company accounts)

- 4.3 The three graphics below separate high, medium and lower GVA industries to show relative growth patterns across sectors, compared with similar value sectors in the local economy. The top graphic shows that around £350m of the £623m GVA growth came from Business Services and Banking & Insurance, with 86% of this from Banking & Insurance. In the Intermediate value industries the Electricity, Gas and Water sector has grown in value by around £100m, from £130m to £230m or 77%. Hotels and Catering have also contributed an additional £40m GVA per annum compared to the 2005 GVA, a 25% increase.

4.4 Although the three GVA groups are arbitrarily separated according to their relative values, there is a general pattern of higher GVA industries within the top two groups growing, with lower value industries declining. In the minor value section there is overall decline, the higher end of the mid value industry group is growing, with the lower end declining, and the same pattern can be seen in the major GVA group. Overall then growth in higher GVA sectors more than offsets decline in lower value sectors, and this may be taken as indicative of the city's increasing comparative advantage in higher value knowledge sectors of the economy, towards which we are increasingly specialising.



#### 4.5 Business Lifebelt project evaluation

The Business Lifebelt project was initiated by Brighton & Hove City Council at the start of 2009 as part of the recession relief package to support local businesses. A partnership was formed between the council, Brighton & Hove Chamber of Commerce and Business Link to work up a series of events and workshops that were targeted at key local business sectors that were threatened by the recession: -

- Retail
- Tourism,
- Business & financial services
- Construction
- Creative (excluding digital media)

4.6 The following table gives a breakdown of the businesses assisted. All businesses were small and medium enterprises.

Intervention	Summary	Output (Target)
1. Enhanced City Business Clinics <i>Feb – July 09</i>	Marketed specifically towards priority sectors enhanced City Business Clinics provided additional tailored 1to1 support including cash-flow advice.	<b>39 (32)</b> received intensive support
2. Sector-specific Workshops <i>Mar – Sept 09</i>	Five series of workshops that focused on priority business sectors. Workshop topics based on the needs of the sector and delivered by sector specialists.	<b>493 (300)</b> received sector-specific advice
3. “Meet the Professionals” Drop In <i>April 09</i>	Drop-in event supported by Chamber where businesses can ‘speed network’ industry professionals including accountants, bankers, solicitors and digital marketing professionals.	<b>75 (100)</b> received professional advice
4. Business Support Event <i>May 09</i>	Full-day event supported by Brighton & Hove City Council and external relations group. Intervention enabled subsidised stands to be taken up by council teams and members of business support partnership	<b>800 (300)</b> received support
<b>Total outputs against target</b>		<b>1407 (732)</b>

#### 4.6 2010 Business Support Programme Outline

Following on from the success of last years Business Lifebelt, the council is continuing to offer one-to-one city business clinics to local

businesses in partnership with Business Link and the Brighton & Hove Chamber of Commerce. In addition to this, the partnership has drawn up a programme of follow-up support workshops and events for 2010 following consultation with the council's economy task force and industry sector specialists. Feedback from the original business lifebelt project was also used to inform the new workshops, which are summarised below: -

- Shopping festivals: Easter and early Christmas shopping festivals to encourage footfall into Brighton & Hove's retail districts.
- Retail training courses to improve marketing performance and increase average spend
- Procurement workshop that ties in with the existing 'Build East Sussex' and 'Fit to Supply' procurement initiatives.
- Introductory support workshops targeted at equalities groups
- 'How to survive a rent review' workshop
- Simplified and more visible online guidance for local businesses in need of finance, to be adopted by several local business support providers
- Series of three workshops targeted at the creative industries, responding to demand from original lifebelt programme
- Event targeted at newly-established businesses which identifies gaps in support for companies under two years old.

Individual advice sessions are on-going, and the Easter shopping festival complete; other workshops and events will be delivered from July to November 2010 with a target of 500 businesses directly supported, 90%+ satisfaction rate and increased year-on-year footfall over the course of the shopping festival periods.

#### 4.7 Retail trends: Vacancy Rates

- The latest retail vacancy rate for Brighton & Hove is **8.8%** (April 2010), which remains well below the national benchmark of 12.4%.
- The latest retail vacancy rate in Hove is **6.2%** (April 2010), an increase from 4.8% in Jan 2010.
- The latest retail vacancy rate in North Laine is **8.2%** (March 2010), an increase from 5% in October 2010.
- Certain streets such as Preston Street remain of concern, with a vacancy rate of **18.8%** at the last count.

#### 4.8 Using Local Authority Business Growth Initiative (LABGI) funding The Environment Improvement Team have installed a range of photographs and images on empty and dilapidated premises throughout the past year (details in table below).

- 4.9 This project has been very well received and generated positive local and national publicity for the city. We have also received many enquires from other authorities about this work. Recent contact from London authorities show that Brighton & Hove is both a leading exponent of this initiative to counter the effect of empty premises on the local economy, and is doing so at a fraction of the cost those authorities have been quoted to deliver similar schemes.
- 4.10 Images installed are from paintings in the City Council's ownership, contemporary photographic images of the city from the Visit Brighton collection, architectural images to enable premises to blend in with local premises, and artwork from local artists.

<b>location</b>	<b>Images installed to date</b>
Preston Street – x12	“World of food in one street” and installations of “3d” images of restaurant interiors
Astoria x3	Paintings from council’s collection, Visit Brighton images and new art deco images by local artist
Pool Valley Coach Stn x1	Paintings from council’s collection
Hove Woolworths – x1	“Whatever you want – hove is sure to have the shop for you” – commercial images of shoppers
Rottingdean High St – x1	Painting of local coastal scene
Church Street – x2	Café scene and local history black and white photographs
St James Street – x2	Paintings from council’s collection
London Road, opposite St Peters Church x1–	Painting of St Peters Church from council’s collection
Dyke Rd x1	Contemporary café scene on closed premises under construction
Queens Rd x2	Visit Brighton images
Upper Bedford Street x2	Kemp Town images
Charter House Hotel - x1	Landscape of Brighton image by local artist

More installations are planned this year for the community shopping parade in Bevendean reflecting local history; also in St James Street, Kemp Town and Lewes Road.

## **5. CONSULTATION**

5.1 None

## **6. FINANCIAL & OTHER IMPLICATIONS:**

#### Financial Implications:

- 6.1 Evidence of performance against agreed indicators and delivery of Value for Money are monitored regularly. Successful achievement of the LAA outcomes 2008-2011 may attract performance reward grant payable in 2011/12 and 2012/13, subject to any changes in the grant funding regime.

*Finance Officer consulted: Anne Silley Date: 4 June 2010*

#### Legal Implications:

- 6.2 The report sets out information as to how the council are performing in respect of local and national indicators and Local Area Agreement targets. Individual reports presented to Cabinet, CMMs and Project Boards relating to specific projects and proposals always include legal implications and it is not considered necessary to reproduce that advice here, given the context of the report.

*Lawyer consulted: Bob Bruce*

*Date: 1 June 2010*

#### Equalities Implications:

- 6.3 The new performance management framework aims to incorporate monitoring of progress against equalities and inclusion outcomes in the city.

#### Sustainability Implications:

- 6.4 The new performance management framework aims to incorporate monitoring of progress against sustainability outcomes in the city.

#### Crime & Disorder Implications:

- 6.5 Measures such as those outlined in the recession relief work may have a positive impact on crime and disorder prevention by reducing unemployment and changing the look of vacant premises.

#### Risk and Opportunity Management Implications:

- 6.6 The management of performance is important and contributes to avoiding the risk that the councils improvement priorities will not be delivered. Progress against performance indicators informs our risk and opportunity management assessments.

#### Corporate / Citywide Implications:

- 6.7 TMT have a performance focus session each month, this is recognised as good practice and allows for both a quarterly overview of the organisations performance against the LAA and more spotlighted discussions on areas that require additional discussion. These discussions will feed into the service planning timetable and establishment of a new Corporate Plan in the future. This is an essential part of the council's performance management framework,



providing the link between the new 3 year Corporate Plan and annual directorate and Team plans.

## **SUPPORTING DOCUMENTATION**

### **Appendices:**

1. Local Area Agreement – 2009/10 progress

### **Documents in Members' Rooms:**

1. None

### **Background Documents:**

1. None

