

Cabinet Member Report

Growth & Enterprise Annual Report

January 2024 to December 2024



Report to: Council
Report from: Cabinet Member for Growth & Enterprise
Report Date: 10th December 2024

1. Purpose of the Report

- 1.1 This report provides Borough Council with an update on the key progress made within the Growth & Enterprise Portfolio to date since January 2024.

2. Introduction

- 2.1 I'd like to thank all the team in the growth directorate who have worked hard to deliver a range of programmes and projects, from investment in our places, Redcar, Loftus, Saltburn, Guisborough, Eston, to planning and development, supporting and growing our businesses and delivering employment and skills.
- 2.2 Throughout 2024 the service has also wrestled with many issues in the business/development world, including increased energy costs, rampant inflation, loss of Tier 2 contractors and costs of acquisitions all of which impact on our planned place development programmes across the borough.
- 2.3 Despite the team's best efforts to regenerate our town and district centres like other places across the country there is still issues with empty retail units. We now need to consider a longer term solution.
- 2.4 Officers are currently looking at external funding opportunities to develop a Master Plan starting with Redcar. We are also looking at new powers to tackle shops lying empty for years through the high street Rental Auctions.
- 2.5 Last year I reported that this was our golden opportunity to build a skilled workforce with over 10,000 new jobs coming into the Borough over the next decade and work has continued on delivering this. This is bolstered by the recent announcement of another £4bn investment Net Zero Teesside Power carbon capture and storage project.
- 2.6 I currently sit on TVCA Education, Employment and Skills Advisory Committee. One of the key concerns raised has been the need to focus on skills planning not just for established businesses but to be ready for the incoming investors and supply chains.
- 2.7 I am pleased to report that we have some of the best learning/training facilities in the country as well as strong leadership to help. drive the skills agenda forward.

On Tuesday I was invited to look around the new Welding and Scaffolding facility at Redcar College. Alongside the Green Energy Training Hub, the College is now in a position to offer training that will deliver the skills needed for the future employment in many of our well paid growth industries.

- 2.8 However, we still need to see better coordination between TVCA, Colleges, HE, Business and Councils in developing a needs analysis and robust skills strategy. We also need to think more creatively and allow some more flexibility on various funding pots including the apprenticeship levy.

The Growth & Enterprise Portfolio Responsibilities

- 2.9 In terms of the individual Council services which deliver the Economic Growth I have portfolio responsibility for the following teams which work together collaboratively:

- Planning & Development
 - Development Management (Dealing with planning applications, planning enforcement etc.)
 - Planning Strategy (The Local Plan)
 - Housing Strategy (The Housing Strategy)
 - Licensing (Dealing with taxis, betting shops etc.)
 - Building Control (Dealing with building construction applications/standards etc.)
- Place Development Investment (Delivering capital regeneration projects)
- Business Engagement (Supporting businesses through advice/grants etc.)
- Learning, Skills & Employment
 - Adult Learning Service (Delivering adult education courses)
 - Employment Growth (Delivering support to unemployed residents)

- 2.10 The subsequent report sets out the achievements and challenges each of the services have experienced over the last 12 months and are due to face into 2025.

3. Planning & Development (Development Management)

- 3.1 The Development Management service deals with all the planning applications submitted to the Council. Almost all economic growth requires some sort of development and therefore will require planning permission; so, the Development Management service is critical to the Council facilitating, supporting and delivering sustainable economic growth. Since January 2024 the Council has granted planning permission and discharged Conditions for the following key major developments:

Industrial / Infrastructure

- **Electric arc furnace at Tees works.** Outline planning permission was granted in April 2024. Next steps are for British Steel to submit Reserved Matters and get this approved whilst securing strategic funding from Government to fund the project.
- **49.9MW solar photovoltaic farm near Yearby village.** Planning permission was granted in April 2024.

- **Transport hub and HGV park at Teesworks.** Outline planning permission was granted in June 2024. Teesworks Ltd now need to submit Reserved Matters and get this approved whilst securing strategic funding from TVCA to fund the project.

Housing

- **396 new dwellings at Low Grange South Bank.** Outline planning permission was granted in March 2016 for the wider Low Grange site delivering up to 1,250 dwellings. Reserved Matters was granted planning permission in November 2024 for the next phase of development of the site, allowing a start on site in 2025.

Commercial / Leisure

- **New pool at Eston Leisure Centre.** Planning permission was granted in April 2024 for a new Council owned swimming pool. Demolition has since taken place and new building work is now well underway on site.
- **New Lidl store near Redcar Racecourse.** Planning permission was granted in December 2022. Several key Conditions were discharged in August 2024 which now allows development of the 2,275sqm retail store to start on site.
- **Public realm works to Guisborough town centre.** The Council led LUP funded project was granted planning permission in November 2024, with work due to start in 2025.

- 3.2 The Government monitors performance of all Local Planning Authorities and sets benchmarks of expected performance. From 1st April 2023 to 31st March 2024 the Council received and processed 860 planning applications. So far, since April 2024 the Council has received 415. The performance is set out below.

Performance Measure	Gov Target	2023/24				2024
		Q1	Q2	Q3	Q4	Q1
Quality of Major Decisions	10%	0%	1.6%	1.7%	1.6%	1.5%
Quality of Minor Decisions	10%	0.6%	0.6%	0.6%	0.4%	0.5%
Speed of Major Decisions	60%	94%	93%	94%	97%	97%
Speed of Minor Decisions	70%	92%	92%	91%	91%	90%

- 3.3 Quality of decision making relates to when an application is refused, whether the Government's Planning Inspector overturns the decision at appeal and approves the application. Against the Government target of us not exceeding 10%, only a maximum of 1.7% were overturned. This reflects a position whereby Officers, under delegated powers and Elected Members at Regulatory Committee are consistently making "good" decisions on major and minor planning applications throughout the year.

- 3.4 Speed of decision relates to how quickly a planning application is processed and

a decision made. The Government expects that 60-70% of all planning applications have to be determined “in time”. Against this target, the service has consistently achieved 91-97% throughout the year.

- 3.5 The quality and speed of decision making reflects a position whereby, against a backdrop of budgetary and resource pressure, the Development Management service is performing efficiently and professionally.
- 3.6 A non-Statutory component of the Development Management service, but a crucial element, is planning enforcement, which due to financial pressures, is undertaken by a sole Planning Enforcement Officer. Throughout the year the service has experienced an acute staff resource issue whereby the sole Officer is absent on long term sick. This has led to the service having to prioritise cases and deal with the backlog of cases by distributing to non-enforcement dedicated staff. This has placed a short-term additional burden on all other Development Management staff. The service is now actively seeking to buy-in external consultancy support to assist for the intervening period and give the additional capacity and expertise required.

4. Planning & Development (Planning Strategy)

- 4.1 The Planning Strategy service primarily deals with the management of and preparation of the Local Plan and the associated policies and evidence base.
- 4.2 The current Local Plan was adopted by the Council in 2018 and is approaching a point where the Council could consider reviewing it. Throughout 2024 the service has monitored the national situation, and it became apparent that the new Government will bring forward legislation (through the Planning & Infrastructure Bill) and subsequently update the guidance contained in the National Planning Policy Framework.
- 4.3 The Council cannot start preparation of the new Local Plan until the Government issues the updated legislation/guidance. Notwithstanding the uncertainty around the content and timing of the new Government guidance it is likely that any new Local Plan will take up to 30 months to prepare and be Adopted at Council.
- 4.4 The new Local Plan, when prepared, will set out the vision and overall development strategy for the Council’s area and how it will be achieved over the next 15 years, with the likely following principles:
- (1) Sustainability & Design (including policies which set limits to development, securing developer contributions etc.).
 - (2) Spatial Strategy (including policies and plans which identify where new development will be located).
 - (3) Regeneration (identifying key regeneration area such as town centres, Tees works etc.)
 - (4) Economic Development (identifying land allocations and policies to guide new development in industrial, retail, commercial and leisure areas)
 - (5) Housing (including policies and plans which seek to deliver (e.g.) 642 new dwellings per year, an appropriate housing mix, affordable housing, HMO controls, Gypsy & Traveller sites etc.)

- (6) Natural Environment (including policies and plans which seek to protect the natural landscape, open space, playing pitches, cemeteries etc.)
- (7) Historic Environment (including policies and plans which seeks to protect heritage assets such as listed buildings and conservation areas)
- (8) Transport & Accessibility (including e.g. how transport should be considered in new development)

- 4.5 A key component of any new Local Plan will be the supply of new housing. In July 2024 the Government announced an expectation of significant increase in the provision of new housing (1.5 million), across the country, over the coming years. This national announcement will have fundamental impacts on the delivery of new housing in the Borough.
- 4.6 The current target in the 2018 Local Plan is 234 net additional dwellings per year; calculated based on local need (e.g. birth rates, household growth, migration etc.) and the need to retain working age population in the Borough. This was set at a point in time in 2016. In terms of performance against this target the Borough has previously delivered over the last 5 years an average of 416 dwelling per year; nearly doubled our expected delivery.
- 4.7 Using a new “standard methodology” the Government is advocating a target for Redcar & Cleveland of 642 net additional dwellings per year, representing a 174% increase and an overall expected provision of nearly 10,000 new homes over the next 15 years. Assuming this figure from the Government is confirmed in the revised legislation/guidance, likely published in 2025, this represents a significant increase in expected provision and will be the main focus of the new Local Plan.
- 4.8 In preparing the new Local Plan in 2025 the Council will need to consider the following critical issues:
- Indicative Housing Land Supply. The Council will need to establish whether land is:
 - Available. Where the landowner (e.g. farmer) wants to develop it for housing.
 - Developable. No showstoppers (e.g. flooding, contamination, ecology, topography etc.)
 - Deliverable. Economically viable to give a return to the landowner, create profit for developer and deliver all the required infrastructure. Viability may be issue in site selection (e.g. if site is negative value, it likely won't be included).
 - New Housing Location. The Council will need to establish which land is allocated for new housing on:
 - Brownfield land. However, any allocated site will need to be economically viable and deliverable.
 - Greenfield land. This will inevitably be the Government's focus, so the Council will need to consider numerous extensions to existing urban areas and villages and/or “new town” style villages/towns with self-contained infrastructure.
 - Housebuilding Industry & Market Capacity. Whilst outside the control of the Council, nonetheless, consideration will need to be given as to whether there is sufficient housebuilder staff experience/skills/availability to deliver 10,000 new homes.

- Council Resource Capacity. Planning for, delivering and servicing 10,000 new homes will inevitably place additional burdens on Council resources, in terms of Council staff required to deliver the growth (e.g. Planners, Highway Engineers, Ecologists, Environmental Health etc.) and also resources/staff to deal with new population (e.g. new bin collections, care costs, libraries, leisure facilities etc.)

4.9 At December 2024 the Council is currently considering all the implications of preparing a new Local Plan. Early work has started (e.g. understanding what 10,000 new houses looks like on the ground in a spatial strategy), but it cannot actually start work until the Government enacts the Planning & Infrastructure Bill and updates the National Planning Policy Framework. With this uncertainty it is difficult to predict accurately a timetable of delivery, however the following could be indicative:

Mid 2025 = Planning & Infrastructure Bill royal ascent and NPPF published.

Late 2025 = Start Local Plan preparation

Early 2026 = Preferred options for spatial strategy agreed with Elected Members

2026-2027 = Local Plan public consultation, Examination and Adoption.

4.10 Alongside the Local Plan considerations, the Planning Strategy service has progressed the development of a new Conservation Area Management Plan (CAMP) for Loftus which was enshrined in a Supplementary Planning Document. This was agreed at Cabinet on 6th February 2024. The Loftus CAMP sets out how the Council will preserve and enhance the heritage assets of the Loftus Conservation Area when it determines any new planning applications. Notwithstanding the Loftus CAMP, the service is now progressing a new draft CAMP for Guisborough, and this is due to be presented to Cabinet on 10th December 2024.

5. Planning & Development (Housing Strategy)

5.1 The Housing Strategy service is currently considering a review of the current Council's Housing Strategy which is coming to its natural end in 2024. A new Housing Strategy will consider the following key principles:

- (1) Building New Homes.
- (2) Improving the Standards of Existing Housing and Neighbourhoods.
- (3) Meeting the Needs of Our Ageing Population and Supporting People to Live Independently.

5.2 A new Housing Strategy will need to be prepared at the same time or after a new Local Plan has been prepared: due to the synergies between the two strategies. Subject to Government Planning reforms the following is an indicative timescale of delivery:

Mid 2025 = Planning & Infrastructure Bill royal ascent and NPPF published.

Late 2025 = Start Local Plan preparation

Early 2026 = Preferred options for spatial strategy agreed with Elected Members

2026-2027 = Local Plan public consultation, Examination and Adoption.

Housing Strategy Consultation and agreement at Cabinet/Council.

- 5.3 Notwithstanding the Housing Strategy the service has played a crucial role in partnership working with local Registered Providers (e.g. Beyond Housing) and also in delivering the Levelling Up project with the South Bank Community Land Trust (SBCLT); bring vacant properties back into use as affordable housing. To date the SBCLT has acquired one property and will acquire and refurbish and re-let a further 4 properties into 2025 utilising Government grant.
- 5.4 Planning Strategy and Housing Strategy services collectively monitor the overall housing delivery in the Borough; the table below sets out performance over the financial year to April 2024.

Dwelling Completions	Q1	Q2	Q3	Q4	Cumulative	Local Plan Target
Gross	132	144	112	103	491	N/A
Net	125	142	142	92	471	234
Affordable (15% Target)	59	99	64	271	271	35

- 5.5 Whilst the Council grants planning permission for, it does not actually build the new houses, they are almost exclusively delivered by big national housebuilders (e.g. Taylor Wimpey, Bellway, Miller etc.) and local Registered Providers (e.g. Beyond Housing). The Borough has performed well considering the Local Plan target of 234 net additional dwellings per year; essentially doubling what is expected overall and significantly outperforming the 15% affordable housing target.
- 5.6 At the end of Q1 2024/5 83 net additional dwellings have been delivered and 37 of these were affordable. It is expected that performance will continue through 2024/5, and this reflects overall the buoyant housing market in the Borough; where housebuilders have confidence to submit planning applications for, build new houses and sell them and in the process deliver significant ongoing economic growth. This very positive performance does bode well for the Council endeavouring to deliver the Government's annual housing target of 624 in the future years.

6. Planning & Development (Licensing)

- 6.1 The service seeks to protect the public via issuing licenses to operators and businesses (e.g. taxis, betting shops etc.) and then ensuring through visiting/monitoring the compliance with the license terms. Throughout the year the service has continued to do this, on a daily basis, to a high and efficient standard. Since January 2024 the service has updated its Statement of Principles relating to the Gambling Act 2005 and is now working to these principles and will continue to do so going forward.

7. Place Development Investment

7.1 The Place Development Investment (PDI) service is responsible for delivering the Council's capital regeneration projects portfolio which have been under implementation since 2020.

7.2 The PDI service has been exceptionally successful in securing external grant funding to regenerate the Borough and delivery direct economic growth. Funding for the various project delivery primarily comes from the following sources and is ringfenced by the funder for use almost exclusively for economic growth and job creation only:

- £25m "Welcome to Redcar & Cleveland" from the Tees Valley Combined Authority (TVCA).
- £5.8 Future High Street Fund
- £12m "Indigenous Growth Fund" from the Tees Valley Combined Authority (TVCA).
- £25m "Redcar Town Deal" from Government (RTD).
- £20m "South Middlesbrough & East Cleveland" Levelling Up Fund from Government (LUF).
- £20m "Greater Eston" Levelling Up Fund from Government (LUF).
- £20m "Levelling Up Partnership" from Government (LUP).
- £20m "Long Term Plan for Towns" from Government (LTPFT).

7.3 The projects being delivered with the funding above are distributed across the Borough, focused on the specific strategic regeneration areas of Redcar, Greater Eston, Loftus, Guisborough and Saltburn.

Redcar

7.4 Since January 2024 the Council has progressed many capital regeneration projects in Redcar including:

- **New Culture and Leisure Attraction.** This £10.7m RTD project involves the acquisition and demolition of the M&S and Goodwins buildings and replacement with a new attraction including private sector leisure provision and the Council's new library provision. In December 2024, the Council has acquired the buildings, achieved planning permission and started the demolition.
- **Coatham Leisure Quarter.** This £1.2m RTD project delivers a new coastal activity centre and public realm works. In December 2024, the Council has developed a "stack" type asset (including food & beverage, changing facilities, toilets etc.) at Coatham and it is now open and being operated by a private operator called "Beach Base".
- **Redcar Central Station.** The £9m project is funded from TVCA and LUP and seeks to redevelop the Grade II Listed Building for use as active train station and multifunctional retail/commercial/leisure space. Since January 2024 the Council has started the physical works on the building including the internal strip out and the replacement of the roof structure.
- **Redcar College All Access Academy.** The £4.7m LUP project delivers a new extension to the college which creates a new teaching space for

scaffolding, working at height, confined spaces and health & safety learning. In December 2024 the foundations for the extension has been poured and the steel superstructure is currently being erected.

- **Coatham Arena.** Since January 2024 the Council has agreed a 3-year Option agreement with Coatham Arena Ltd (CAL). The Option agreement enables CAL to have security over the land and subsequently develop their plans and identify private funding to deliver the project.
- **Coatham Hotel.** The 42-bed hotel is being developed by “Inn Collection Group”. Since January 2024 the Council has cleared the site and completed the remediation of the land (as per the Heads of Terms) to facilitate the start of the development in early 2025.

7.5 There are many other projects which are currently in train but are not yet delivering on the ground so have not been specifically mentioned, but these include:

- Public realm works at the High Street through the RTD.
- Redesign and refurbishment of Tuned In to create a more sustainable culture and tourism space and offer; delivered through LUP funding.

It is anticipated that these projects will start construction throughout 2025.

Greater Eston

7.6 The Council was successful in attracting £20m LUF funding for Eston which will deliver a suite of projects in the Eston area. Since January 2024 the Council has started delivery of the following projects:

- **New Eston Pool.** This project involves the demolition of the existing and erection of a new pool building incorporating a learner pool. Building work is on schedule and well underway; at December 2024 the main pool’s excavation and pipework for the filtration sump is now complete.
- **Eston Recreation Ground Refurbishment.** This project will deliver much needed public realm works to the recreation area including new lighting and CCTV, footpaths, wheeled play provision, multi sports play provision, replacement of recreation apparatus and landscaping enhancements. At December 2024 a planning application has been submitted and will likely be determined at the Council’s January 2025 Regulatory Committee. If planning permission is granted work will start in early 2025.
- **Redevelopment of Eston Precinct.** The project involves the acquisition and demolition of parts of the existing precinct and erection of new retail space. The precinct is predominantly owned by private freeholders, with the Council only owning the public areas (e.g. roads, paths etc.); this requires the Council to negotiate with the landowners to allow the development to progress. At December 2024, whilst development plans have been drawn up, all freeholders have been issued and agreed Heads of Terms for and are anticipating progression to full acquisition in 2025.

Loftus

7.7 The Council was successful in attracting funding from the Government’s “Future High Street” fund and most of these projects have been completed since 2020. Since January 2024 the Council has continued the delivery of the following remaining projects:

- **United Reform Church.** This project involves the refurbishment of the vacant church building and use as a community/cultural space. Building work is progressing well and at December 2024 the Council has added new windows, installed the internal metal staircase, boarded/skimmed/decorated, with the second fix underway. It is anticipated that the external scaffolding will be removed by the end of December 2024 with the project finished in early 2025.
- **Temperance Square.** This project involves the acquisition and demolition of the vacant retail units and the erection of new community/skills/learning hub. Demolition is complete and building work is ongoing and progressing well with an expected project completion in mid 2025.
- **Arlington Chapel.** This project has seen the demolition of the derelict chapel building and the site tidied up awaiting development. A planning application has been submitted for further works to build supporting structures to neighbouring walls. Subject to planning permission, work will recommence and be concluded early 2025. At that point the site will be marketed by the Council's Strategic Asset Management service for development.

Guisborough

7.8 The Council was successful in attracting £15.2m LUF funding for Guisborough which will deliver a suite of projects in the local area. Since January 2024 the Council has started delivery of the following projects:

- **Town Centre Public Realm Works.** This project involves re-alignment of highways, parking and footpaths, additional pedestrian crossings, new street furniture, lighting, and other hard and soft landscaping Land at Westgate, Market Place, Chaloner Street, Church Street and Fountain Street. After much public consultation the Council has achieved planning permission at Regulatory Committee on 13th November 2024 and is now undertaking a procurement exercise to source a contractor to start on site in summer 2025.
- **Chapel Beck Improvements.** This project will deliver physical improvements to the channel increasing active travel and recreation space. At December 2024 a planning application has been submitted and will likely be determined at the Council's January 2025 Regulatory Committee. If planning permission is granted work will start in early 2025.
- **King George V Improvements.** The project will deliver public realm works and improvements to skatepark and play equipment. Again a planning application has been submitted and will likely be determined at the Council's January 2025 Regulatory Committee. If planning permission is granted work will start in early 2025.
- **Guisborough Forest Walkway Visitor Centre Improvements.** To date a design team is currently being commissioned to develop and oversee an extension to the Visitor Centre.
- **Town Centre Commercial Grant Scheme.** Grants have been made available for businesses to help with the refurbishment of shop fronts etc. which positively consider the heritage impact. Since January 2024 two businesses have successfully completed all works, four are in the planning process and three are awaiting quotes from local contractors.

7.9 Although not directly related to the LUF funded project, throughout 2024 the Council has delivered the public realm works at Bakehouse Square. The works

sought to complement works undertaken to the Town Hall and to address a number of accessibility concerns raised from the previous layout. The project required taking up and replacing cobbles and as it was implemented various issues emerged include the quality of the cobbles as they were being laid. The appointed contractor (Seymours) subsequently responded positively to the criticism and went back to square one and replaced cobbles to higher standard/quality. Whilst the cobbled alleyway is now complete, the project as a whole is not yet fully finished and this will continue into 2025.

Boroughwide

7.10 Elsewhere in the Borough various other projects are progressing primarily utilising the LUF and LUP funding including. These include:

- **South Bank Community Land Trust.** This £0.6m LUP project involves the acquisition of 5 x vacant dwellings and them brought back into use as affordable housing.
- **Supported Housing for 16-17 Year Olds in Care.** This £1.7m LUP project involves the acquisition, refurbishment and use of 17 x dwellings for supported Council residential accommodation at various locations across the Borough.
- **Family Hub Improvements.** This £0.18m LUP project which is introducing forest schools, sensory gardens and café improvements to various Council Family Hubs in the Borough.
- **Residential Care Homes.** This £0.5m LUP project will see the acquisition of 3 x vacant dwellings across the Borough, refurbishment and them brought back into use as residential care homes for children.

It is anticipated that these projects will start construction throughout 2025.

Football Foundation Playzones Programme

7.11 PlayZones are described by the Football Foundation (FF) as safe, inclusive, and accessible outdoor facilities that bring communities together to be active through recreational football and a range of other sports and activities. The programme aims to engage with local communities, to create modern activity spaces and help tackle inequalities in disadvantaged communities.

7.12 The Council is working in partnership with the FF throughout 2024 and is now in the process of submitting a bid to develop 6 sites across the borough. The sites are Eston, Grangetown, Guisborough, Marske, Dormanstown and Lakes Estate Redcar. Subject to wider external funding a seventh site in Saltburn will join the portfolio. The project will start progression in real terms throughout 2025.

8. Business Engagement

8.1 The Business Engagement team is the conduit between the Council and the key businesses/employers in the Borough. The service continues to:

- Engage with businesses and inward investors to understand issues and challenges. This is particularly important on strategic industrial sites including Teesworks and Wilton.

- Meet with key strategic employers (employing 40+ staff) and offer advice, guidance and support where possible. This includes working in partnership with businesses where there is a risk of redundancies etc.
- Support clients looking to start-up in business, in addition to dealing with enquiries for business space in the borough
- Support businesses to apply for UKSPF Rural England funding and supported TVCA in scoring submissions.
- Work with businesses in the various town centres in the borough; specifically Redcar, Eston and Guisborough.

8.2 A key consideration of the engagement with business is understanding how they respond to economic and policy changes and advising them accordingly. Some key issues which have arisen in the last 12 months are:

- Emerging Government industrial strategy in key sectors including manufacturing, energy and transport.
- Emerging Government funding strategy and opportunities for local businesses accessing it including UK Shared Prosperity and also specific business sector funding such as energy, steel, transport and manufacturing.
- The impact on business economic viability after the Government's proposed increase in employers National Insurance contributions and the changes to minimum wage. At December 2024 it is too early to gauge the impact on businesses/employers but the service will continue to engage throughout the year and advise businesses accordingly.

To date businesses are feeding back in live time

Key Business Developments

8.3 The service has worked with local businesses and inward investors, particularly at Wilton and Teesworks. At December 2024 the following developments are identified as progressing at Teesworks:

Location	Development	Dec 2024 Position
South Bank	SeAH Wind Wind turbine monopile manufacturing facility	Planning permission granted. Work started on site.
	Teesworks Ltd Freeport entrance and office	Planning permission granted. Work started on site.
	Teesworks Ltd South Bank quay (phase 1)	Development completed and operating.
	Teesworks Ltd South Bank quay (phase 2)	Planning permission granted. No work started on site.
	Teesworks Ltd Quay office	Planning permission granted. Work started on site.
	Teesworks Ltd Speculative commercial units	Planning application received but not yet determined. This is subject to the applicant resolving issues on local highway impact.

Location	Development	Dec 2024 Position
Dorman Point	Willis Aviation Sustainable aviation fuel facility	Planning permission granted. No work started on site as the developer has not yet discharged any pre commencement Conditions.
	Circular Fuels Renewable gas production facility	Planning permission granted. No work started on site.
Lackenby	British Steel Electric arc furnace	Planning permission granted. No work started on site.
	Teesworks Ltd Car/HGV transport hub (additional access to site 1)	Planning permission granted. No work started on site.
	Teesworks Ltd Service centre including retail, restaurants, hotel, pub etc.	Planning application received but not yet determined. This is subject to the applicant resolving issues on local highway impact and nutrient neutrality.
	EDF Renewables Electrolytic hydrogen manufacturing facility	Planning application received but not yet determined. This is subject to the applicant resolving issues on nutrient neutrality.
Steel House	Teesworks Ltd Alterations to Steel House office building and car park	Planning permission granted. No work started on site.
	Teesworks Ltd Park and ride facility serving Steel House and the Net Zero site to the north on The Foundry	Planning permission granted. Work started on site.
The Foundry	BP Net Zero Carbon capture utilisation and storage, CO2 pipelines to other industrial sites in Teesside, 860MW power station	Planning permission granted by Government DCO. No work started on site yet which is linked to Government funding and the discharging of planning Conditions.
	BP H2 Teesside Hydrogen production facility	Planning permission not yet granted by Government DCO.
	BP Green Hydrogen production facility	Planning application received but not yet determined. This is subject to the applicant resolving issues relating to biodiversity net gain.

Location	Development	Dec 2024 Position
	Redcar Energy Centre Bulk storage facility, energy recovery facility, incinerator bottom ash recycling facility	Planning permission granted. No work started on site.

8.4 At December 2024 the following developments are identified as progressing at Wilton:

Location	Development	Dec 2024 Position
Wilton	Sembcorp Combined cycle 1.7GW power plant	Planning permission granted. Work started on site.
	Sembcorp Battery storage facility	Planning permission granted. Work started on site.
	Sirius Minerals Woodsmith Mine tunnel portal	Planning permission granted. Work started on site.
	Sembcorp Battery storage facility	Planning permission granted. No work started on site.
	CTW Northern Ltd Electronic data centre	Planning permission granted. No work started on site.
	Tees Valley Lithium Lithium manufacturing plant	Planning application received but not yet determined.
	CGS Hazardous waste to energy processing plant	Planning application received but not yet determined
	Tees Valley Lithium Lithium manufacturing plant	Planning application received but not yet determined

8.5 Notwithstanding Teesworks and Wilton the Business Engagement service will continue to engage and help to facilitate additional investment, development and employment opportunities across in the Borough.

Town Centres and High Street Action

8.6 There is an awareness of the endemic issues currently facing non-internet retail across the country and this is manifest in vacant units in our high streets across the Borough; particularly Redcar High Street.

8.7 The Business Engagement, Place Development Investment and Planning & development services are working in partnership to developing a comprehensive approach to try and intervene where possible to avert the decline of the high street and to reduce vacancy rates. This includes the following:

- Understanding the overall vacancy rate, location of specific vacant unit and the owner's position and plans for investment.
- Getting a professional commercial agent's perspective on causes of vacancies and potential solutions where appropriate. From the early research in late 2024 it is apparent that:
 - Smaller units are easier to let and that big units can linger as a longer term challenge.
 - There is clear recognition of the positive role of local property

- developers and investors.
 - Prices have lifted in the last two years.
 - Recognition that regeneration efforts such as Redcar Town Deal are making a positive impact.
- Identifying powers available to tackle vacant premises, including:
 - Section 215 Notices. This requires the owner to tidy up the property based on visual appearance the remedying the negative impact on the amenity of the local area.
 - High Street Rental Auction. This is emerging Government legislation which comes into force in December 2024. Essentially it is a new power for local authorities to require landlords to rent out persistently vacant commercial properties to new tenants, such as local businesses or community groups. Council Officers are attending national conferences to get a greater understanding of the powers and how/if they can be implemented in the Borough going forward.
- Identifying future support for the high street. This includes understanding the Government's emerging policy including the proposals to permanently cut business rates for retail hospitality and leisure properties from 2026.
- Utilising the Council's Town Centre Grant Scheme funded by TVCA. The scheme feeds directly into the wider objectives of the Town Centre Transformation theme by encouraging entrepreneurial activity and growth of the independent sector, whilst heightening the town's appeal as a retail destination. The scheme opened to full applications and payments in May 2024 and closed in November 2024 with the cut-off for grant awards (payments) being extended to 31st December 2024. Assisting 15 x business so far a total committed spend to date is £131,688 delivering the following typical works:
 - External render and new windows.
 - Replacement of aged facades and roller-shutters
 - Creation of additional visitor accommodation including high-end boutique offer as well as family accommodation.
 - Upgrades to security to include new CCTV.

8.8 Going forward the Business Engagement service will continue to support businesses in the town centre and endeavour to use all available resources to positively impact the economic environment.

9. Learning, Skills & Employment (Adult Learning Service)

9.1 The Adult Learning Service (ALS) delivers the following skills and learning programme to the residents of the Borough to help them access employment opportunities:

- English, maths, digital skills to skill up residents.
- ESOL to Syrian and Ukrainian refugees and others.
- Bespoke employer led provision in excavation, vehicles etc. related to Teesworks.
- Learning for inclusion to community groups: art therapy, Makaton, healthy eating, yoga etc.
- Education element of the Council's apprenticeships in Business Admin, Team Leaders, Horticulture, Customer Service.

- 9.2 The ALS service has observed the following interactions between 1st April 2023 to 31st March 2024. The service has delivered learning programmes to 1,204 residents across Redcar & Cleveland of which 661 were in Learning for Inclusion (LFI) that works and supports community groups, providing courses to those residents who are furthest from the labour market, have mental health issues, and or social isolation This is to hopefully move residents into qualifications and or employment.
- 9.3 The service has delivered courses to 291 residents in skills such as Maths, English, digital skills and English Speakers of other Languages (ESOL) and 252 in Bespoke Employer Led Provision (BELP) . The BELP courses are in partnership with employers. They will inform the Service of vacancies they have and what training is required the service then puts a programme together and receives confirmation from TVCA to deliver that programme for the employer. The service has delivered training in 360 Excavator, Slinger Banksman, Froward and Rear Tipper, 9T Dumper, Telehandler, Tractor, HiAB, FLT, Roller, Streetworks, J1 rough Terrain, Bulldozer, C1 7.5 ton driving licence Crusher & Screener and, Novice and Groundwork packages.
- 9.4 The service has worked with the following employers Brimms, Stockton Council, TCC, MP Plant and Chipher. To date 100 residents have moved into employment or received promotion within their employment, which enables the employer to recruit to the vacancy left by the promotion. A further 118 have reported increased skills for their existing employer.
- 9.5 The service will be required to submit a delivery plan to TVCA for academic year 25/26 this plan will need to align with local and TVCA priorities as it has done in previous years. Therefore, the service will continue to up skill residents in English, Maths, digital skills and ESOL due to only 38.1% of Redcar & Cleveland residents who have a L4 or above qualifications. Compared to 47.3% nationally. Along with BELP provision working with new and existing employers to address their skills shortage that will move residents into employment or higher salaries due to promotion of further skills.
- 9.6 The ALS is not the sole provider of skills training for the workforce in the Borough. Indeed, for the skills and training required for the new jobs on Teesworks (for example) the ALS may not be the most relevant provider; it could be Redcar College or TTE for example. Therefore the ALS does not compete with other adult education providers so tailors the service offer to make sure no courses are duplicated in the region. This means that all skills and training requirements are covered by the following providers, each with their own specialisms:
- Council run Adult Learning Services.
 - Colleges (e.g. Redcar College) and associated providers (e.g. TTE).
 - Independent Training Providers (e.g. Learning Curve).
- 9.7 ALS funding is through a contract with the TVCA. The ALS agrees an annual delivery plan with TVCA and performance (e.g. attendance & attainment) is monitored throughout the year. Underperformance could result in funding clawback and a budget pressure for the Council.

- 9.8 The ALS falls under the inspection regime of Ofsted and was inspected on 5th December 2023. At the previous Inspection in March 2018 the Service was graded as good in all areas. Unfortunately in the most recent inspection, the Overall effectiveness grade awarded was Inadequate.
- 9.9 Notwithstanding the initial shock, the Council immediately set its mind to taking affirmative action and going on the journey back to achieving at least “Good” at the next Ofsted inspection in 2025. This included the following interventions:
- Management dealing with observed negative staff issues.
 - Recruiting key new personnel to change culture and improve teaching and learning standards.
 - Establishing a Single Improvement Plan which illustrates the decisive action plan to improve teaching and learning and get the ALS back to at least “Good” at the next Ofsted inspection. This includes looking at positive changes to governance, leadership, curriculum/quality improvement and self-assessment and effectiveness to manage and improve quality.
 - Setting up a dedicated Task and Finish group (including Officers, Elected Members and external expertise) to monitor the implementation and positive direction of travel.
- 9.10 Since January 2024 the Council has proactively worked with Ofsted and Government with the following developments:
- The Government’s “Further Education Commissioners” (FEC) are appointed by the Secretary of State to monitor the position and report back to the SoS on progress made since the inspection. The FEC visited on 23rd April 2024, inspected the ALS service. This resulted in a positive report which praised the Council for the changes made since the inspection in December 2023.
 - The FEC report in April 2024 also gave TVCA the comfort that the ALS are on the right track and as a result they confirmed the funding for this academic year.
 - The FEC visited again on 3rd October 2024 for a further monitoring visit and again gave a very positive appraisal of the Council’s approach.
 - Ofsted undertook a monitoring visit on 5th to 6th November 2024 as part of their planned inspection regime. On 26th November 2024 the Council received an official report from Ofsted on the visit and gave an overall judgement of “reasonable progress”. This outcome is a significant positive milestone for the Council.
- 9.11 All of the FEC and Ofsted inspections since January 2024 have reinforced the position that the changes made to the service are all positive and are having a positive impact on the quality of teaching and learning. These inspection outcomes are very positive news for the ALS as it means if the changes made in 2024 continue to be implemented into 2025 it is highly likely that the next inspection (in spring 2025) will result in at least a “good” outcome.

10. Learning, Skills & Employment (Employment Growth)

- 10.1 The Employment Growth service based in Grangetown Hub. The service is blended funding model utilising Council funding, S106 funding and funding direct from the TVCA. Throughout 2024 the service has worked with 819 residents delivering information advice & guidance, job search etc. also sourcing training to help move residents into employment. Training has been delivered by various training providers in courses such as Step into Teaching, Step into Early Years, Scaffolding, Rope Access, Train the painter and CSCS cards. 282 of the 819 have moved into employment.
- 10.2 The service works closely with employers and DWP. They run a drop in job club for residents and DWP will also book their clients into 1-2-1 sessions to support clients with CVs, job search and interview skills. DWP have two permanent staff based in the hub along with DWP Youth Support Adviser attending one day per week. They have sourced training from the following training providers: New college Durham, Derwentside College, Seymour Skills, TradeTechs, Eden Training, AM Training and Redcar College. The service has also run 4 x job fairs across the borough in East Cleveland, Grangetown and Redcar with various employers attending from retail, logistics, construction and host and stay.
- 10.3 The Routes to Work part of the employment team can also offer support in costs that may be a barrier for residents taking up employment such as travel costs, PPE, Uniforms, medicals, bikes, tools required for job etc to date they have supported 311 residents.
- 10.4 With a view to impacting in unemployment in the Borough the following statistics are important to note between 1st April 2023 to 31st March 2024:

Employment Metric	Q1	Q2	Q3	Q4
Redcar & Cleveland Working Age Population in Receipt of Unemployment Benefit	4%	3.9%	4%	4%
Above for North East	4.1%	3.9%	3.9%	4.1%
Above for National	3.7%	3.7%	3.7%	3.9%

- 10.5 Utilising TVCA funding, the Council is developing a “sister” employment hub at Temperance Square in Loftus and it is anticipating that this will be operational in 2025. In the meantime the Grangetown Employment Hub has had a positive impact on the local community through supporting 512 residents through the service and 282 of these moving into work directly resulting from the intervention. It is hoped that into 2025 the 2 employment hubs will positively contribute to bringing down the unemployment rate in the Borough going forward.
- 10.6 Previous to the Loftus Hub opening, activity is still ongoing in East Cleveland. The service has recently facilitated a jobs fair in Loftus open to members of the public and was attended by National Career Service, Citizens Advice, Teesworks, Business Growth, Etc, MP Plant, Redcar & Cleveland Learning & Skills team. The event was well attended and the service awaits new on any positive outcomes for those attending.

UK Shared Prosperity Fund

- 10.7 A crucial component of the previous Government's Levelling Up agenda was UKSPF. The UKSPF not delivered by the Council, the funding is parachuted from Government to the TVCA and they delivered and manage the distribution.
- 10.8 Each of the 5 Local Authorities in the Tees Valley subsequently bid for UKSPF Move Forward Project to deliver to residents that are economically inactive or retired who may want to return to the labour market or engage with the benefit system. Hartlepool council are the lead in this project. The project start was December 23 until March 2025. Redcar& Cleveland targets are 104 residents engaged in various activities such as job search, self-employment, employment, basic skills and engaging with the benefit system. to date we have engaged with 96 residents of which 13 have found employment. Redcar & Cleveland will hit the target of 104 by March 25. The project is based in Grangetown Hub but the staff work in all areas of Redcar & Cleveland meeting residents in job centres, community venues, voluntary groups They work closely with the NEETs team and DWP.
- 10.9 Going forward into 2025 and beyond, to date, neither the Government or TVCA have confirmed whether any subsequent UKSPF "type" funding will be available.

11. Recommendation

- 11.1 That Elected Members note the content of this report.