



STOCKPORT
METROPOLITAN BOROUGH COUNCIL

STOCKPORT COUNCIL PLAN 2015/16

DRAFT FOR CONSULTATION

Portfolio Agreement
Thriving Economy

INVESTING IN STOCKPORT

PORTFOLIO HOLDER'S INTRODUCTION

Stockport is a Borough which benefits from a number of economic advantages in terms of its location, its highly-skilled workforce, its transport connectivity, and its strong business-base.

In order to maximise the benefit these advantages can achieve for residents, the Council is committed to working with a range of partners across the public and private sectors to encourage economic growth.

This Portfolio Agreement for 2015/16 sets out how the Council will coordinate its resources and its influence to deliver more job opportunities, more investment into the Borough, and more houses to meet residents' needs.

Cllr Patrick McAuley

Portfolio Holder Thriving Economy



Focusing on outcomes in a period of change

The Council plays many vital roles that help make Stockport a great place. Throughout 2015-16 our strategic priority is to explore, in detail, new ways to continue to play these roles that can be sustained from significantly reduced resources.

In developing these new approaches we will remain focused on the key outcomes we want to see for the Borough, and on continuing to deliver, to a high standard, those things that are rightly the Council's core business. Our five key outcomes drive everything we do and describe a future in which:



The Thriving Economy Portfolio helps to ensure that Stockport benefits from a thriving economy by:

- Maximising employment opportunities for residents
- Leading and encouraging the delivery of regeneration schemes
- Maximising business investment in Stockport
- Providing an effective and efficient planning service in line with local policies and national legislation
- Developing housing strategy for the Borough and coordinating housing-related service delivery across a range of partner organisations
- Providing strategic leadership to unlock residential growth across the Borough

This Portfolio Agreement sets out the key responsibilities in relation to services and budgets. It also details the range of activities, projects and programmes which will support delivery of the priority outcomes, the risks to delivery and the measures which will reflect progress over the year.

Reporting Progress

The information in this Portfolio Agreement will be updated throughout the year and reported to the **Adult Care Services & Housing (housing elements only) and Environment and Economy Scrutiny Committee** as follows;

Report	ACS&H Scrutiny	E&E Scrutiny
First Update	3 August 2015	6 August 2015
Mid-Year	2 Nov 2015	5 Nov 2015
Final Update	1 Feb 2016	4 Feb 2016
Annual Report	26 May 2016	2 June 2016

The Executive will then be asked to consider and approve the Corporate Performance and Resource Report at its next meeting.

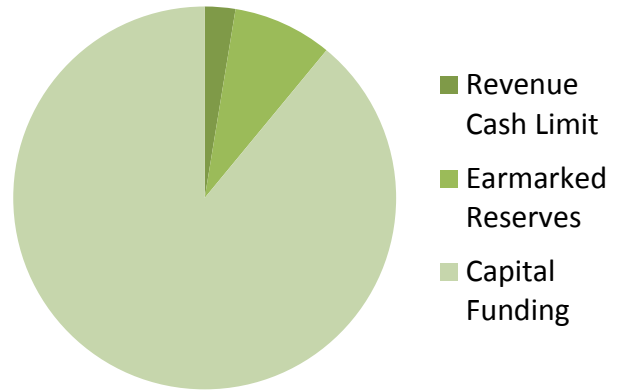
The key Council services, functions, and teams in this Portfolio are...

Investing in Growth	Regeneration	<ul style="list-style-type: none"> • Development of regeneration schemes for economic and employment growth • Forming and leading partnerships in order to deliver schemes • Encouraging and enabling private sector development
	Business Engagement	<ul style="list-style-type: none"> • Working with existing, and prospective, local businesses to retain and secure investment in the Borough • Local economic analysis and strategy development • Delivery of key business-focussed investment schemes
	Employment Support	<ul style="list-style-type: none"> • Local implementation of sub-regional skills and employment initiatives • Targeted support for residents furthest from the labour market • Development and delivery of local schemes to increase labour market participation
	Housing Market Intelligence & Strategy	<ul style="list-style-type: none"> • Analysing changing housing market patterns to determine need and to identify land availability
	Partnership Coordination	<ul style="list-style-type: none"> • Work with Stockport Homes, Housing Associations, and private rented landlords to support service delivery across local partnerships
	Liaison with Residential Developers	<ul style="list-style-type: none"> • Working proactively with developers to increase residential development across the Borough, particularly with regard to stalled developments
	Providing an Efficient and Effective Planning System	<ul style="list-style-type: none"> • Determining planning applications in line with statutory guidelines, local democratic accountability, and residents' needs • Working with Applicants to Deliver Suitable Development

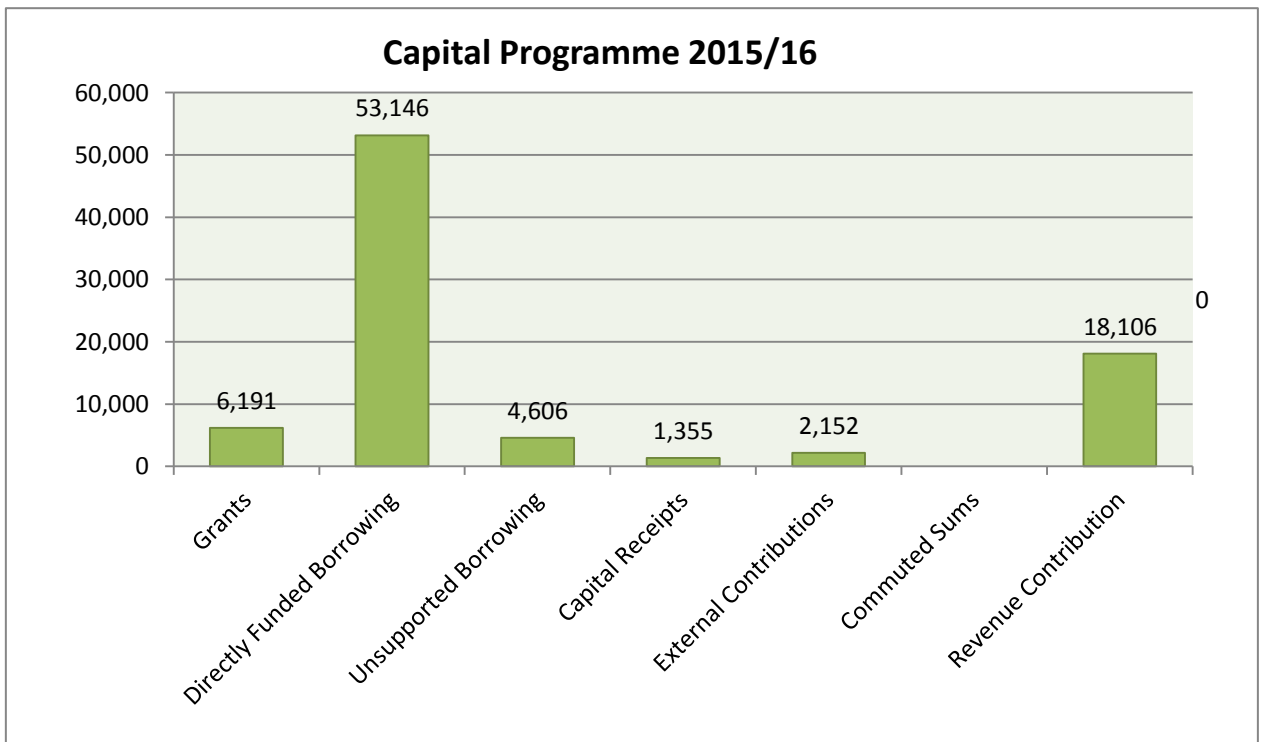
2015/16 Resources

- **Cash Limits** are approved before the financial year commences and each Portfolio is responsible for ensuring that their net expenditure does not exceed their cash limit for that year.
- **Earmarked Reserves** are set aside to meet expenditure which the Portfolio expects to incur in the future, including allocations to specific liabilities which are certain or very likely to occur
- **Capital Funding** comprises non-recurring resources from a range of sources (see below)

Thriving Economy Portfolio General Fund Resource Base



	<u>Revenue Cash Limit</u>	<u>Capital Funding</u>	<u>Earmarked Reserves</u>	<u>Total Resources</u>
	£000	£000	£000	£000
General Fund	2,481	56,260	1,041	59,782
HRA	0	29,296	7,030	36,326
TOTAL	2,481	85,556	8,071	96,108



General Fund Cash Limit Resources

Portfolio	Expenditure			Income	Net Cash Limit Budget
	Employee Expenditure	Non-Employee Expenditure	Gross Expenditure	Gross Income	
	£000	£000	£000	£000	£000
Building Control	403	105	509	-397	112
Directorate	297	65	362		362
Economic Development & Regeneration	1,266	1,562	2,828	-1,244	1,584
Markets	281	130	411	-275	137
Planning	907	150	1,057	-946	111
Strategic Housing	481	215	697	-522	175
Total	3,636	2,227	5,864	-3,383	2,481

Earmarked Reserves

Earmarked Reserves	Description	£000
General Fund		
Place Projects	Reserve for agreed Place Projects	552
Regeneration Major Projects Reserve	Ring fencing of major projects underspends	43
Small Business Reserve	Reserve to help support small businesses	17
Planning & Building Control Reserve	Reserve for Building Control and Planning surpluses	17
Covent Garden Reserve	Reserve created from rent income of land at Covent Garden. Will be used to support the redevelopment of Covent Garden and Hopes Carr	18
Bridgefield Project (Place)	Reserve to support the continuation of the development of the Bridgefield scheme over the next two years, including fees and costs.	79
Asylum Seekers	Accumulated surpluses from several asylum support contracts over a number of years; being used to fund housing capital projects, as well as to support future contracts if home office contract prices are restricted.	171
LAMS Default Reserve	Interest relating to the Local Authority Mortgage Scheme	25
CE Allen bequest (27 Naples Rd)	Repairs and maintenance fund relating to a bequest to be used for the benefit of the inhabitants of the borough i.e. via the provision of housing (as the property has been sold.)	79
Market Improvements	For improvements to the Markets	40
Total General Fund		1,041
Housing Revenue Account (HRA)		
Furnished Tenancies	Provision to replace furniture for furnished properties.	190
HRA ER RCCO Reserve	To finance future capital investment requirements	5,034
HRA ER Welfare Reform/Delivery Plan Reserve	Carry forward of resources set aside for Welfare Reform/Delivery Plan Initiatives	537
ER Development Funding Conversion	To finance future new build investments	269
HRA accumulated surplus		1,000
Total HRA		7,030

Capital Programme – Project Descriptions (1)

Scheme	Description	15/16 Allocation (£000)
Offerton Precinct Development	This scheme relates to the redevelopment of the Offerton Precinct, with the expenditure relating to compensation payments to the affected parties.	226
Gateway Facelifting	<p>The £0.064m allocation will be utilised to upgrade the physical appearance of key gateway spaces and buildings in the town centre to support the Council’s strategic priority to establish a strong identity and a vibrant destination.</p> <p>A number of face-lifting schemes are being developed.</p>	64
Stockport Exchange (Phase 2)	<p>Stockport Exchange is a £145m mixed-use destination which combines Grade A office space and a hotel with retail and leisure facilities and car parking, all set within extensive high quality public realm, providing a new gateway to the town centre adjacent to the railway station.</p> <p>Phase 2 of the scheme (incorporating Office building and Hotel) was granted Executive Approval on October 1st 2013 (ED1548), with an expected total cost of £18.539m. It is anticipated that Phase 2 will commence on site in June/July 2015 with an anticipated completion of Q4 2016/17.</p>	13,094
Covent Garden	The vision for Covent Garden Village is the creation of a high quality flagship, mixed-use neighbourhood, aimed at economically active households, in a highly attractive and sustainable environment that will support existing businesses and facilitate new business investment within the local area and Stockport Town Centre.	630
Supporting local businesses (PIF 2011/12)	<p>In 2012 Businesses and Groups of Businesses were invited to put forward proposals for Economic Development related activity, with the business community deciding how best to allocate the grant funding. Seven projects were allocated grant funding support (5 of which required capital funding), with Grant payments not being released until agreed milestones were reached and evidence of eligible expenditure had been received.</p> <p>The allocation for 2015/16 reflects the remaining funding to be released, with all seven projects having now completed.</p>	15

Capital Programme – Project Descriptions (2)

Scheme	Description	15/16 Allocation (£000)
Brinnington Regeneration (PRG)	The £0.042m allocation will be utilised to support the greater Brinnington Housing Development. The allocation supports a key regeneration plan objective to address the poor retail offer in Brinnington, as this was identified as a contributory factor to poor health issues in the area. Options/feasibility/design for work which will facilitate improvements to the retail offer are currently under consideration.	42
Portas Pilot Bid match-funding (PIF 2012/13)	<p>In 2012 Stockport Council submitted successful bid (on behalf of Stockport Town Centre Business & Retail Forum) to Department of Communities & Local Government to become one of 12 Portas Pilot town centres in UK.</p> <p>As the initiative has developed the investment has focused on the older core areas of the town centre and an emphasis on marketing, promotion and events.</p>	59
Redrock Development Scheme	<p>The Redrock leisure led development scheme (incorporating Multi-screen Cinema, Multi-Storey Car Park, and Retail and Food and Beverage units) was granted Executive approval on December 17th 2013 (ED1447).</p> <p>It is anticipated that works will commence on site in October 2015 with expected completion of the scheme in Quarter 4 of 2016/17.</p>	17,210

Capital Programme – Project Descriptions (3)

Scheme	Description	15/16 Allocation (£000)
Gorsey Bank	<p>On 30 September 2014, the Executive agreed in principal to fund the redevelopment of Gorsey Bank into B1 light industrial space, funded via prudential borrowing, subject to the receipt of a Full Business Case. This has now been prepared and subject to final approval will lead to the submission of a further detailed planning application and a start on site later this year.</p> <p>By securing an early initial planning consent it was possible to include the scheme within TCAP which has assisted with the overall funding of the scheme.</p>	4,682
Markets and Underbanks	<p>The scheme reflects the regeneration strategy for the wider Market Place and Underbanks area approved by the Executive on 30 September 2014 (ED1636); to create a vibrant retail, leisure and residential destination, focussed on the development of creative industries and specialist independent retail, with new residential development.</p> <p>The scheme includes proposals to invest in a rolling programme of measures in the area, including selected acquisition, redevelopment, refurbishment, letting and resale, coupled with public realm improvements, in order to drive delivery of the regeneration strategy.</p> <p>The £1.952m allocation for 2015/16 forms part of a programme of works totalling £7.000m.</p>	1,952
Swann Lane (The Coach House)	<p>The scheme reflects the Council's decision (EMDCCCS17/EMDED121) to make a Compulsory Purchase Order (CPO) on the derelict site at 33 Swann Lane, Cheadle Hulme known locally as 'The Coach House'. The expenditure will be financed from the future sale of the property.</p>	159
GM Broadband	<p>Stockport is the lead authority for ensuring delivery of the GM Rural Broadband Roll out programme across the other eight GM local authority districts (with BT as the delivery partner).</p> <p>The capital expenditure is to be incurred on infrastructure to enable connection to superfast broadband. This infrastructure will be owned by British Telecom and not the Council(s).</p>	5,006

Capital Programme – Project Descriptions (4)

Scheme	Description	15/16 Allocation (£000)
HRA - general capital schemes	To deliver capital improvements to the Council’s housing stock in line with the Housing Revenue Account (HRA) Business Plan.	17,712
HRA - new builds	To deliver new build housing in line with the development pipeline programme.	11,584
Disabled Facilities Grant	Disabled Facilities Grants are a mandatory entitlement for qualifying applicants, and are provided to facilitate the provision of major adaptations or changes to non Council owned housing (i.e. owner occupied, private rented and housing association) to meet the assessed needs of disabled people. Typical examples would include stair lifts, bathroom adaptations, door widening and substantial ramps.	1,096
Strategic Housing - Renewal	This supports a range of activities in accordance with the Council’s approved Private Sector Investment & Assistance policy, including repair works to allow vulnerable individuals to remain in their own home, area improvement activity and energy efficiency schemes	501
Affordable Homes (SHL)	To deliver new build housing in line with the development pipeline programme.	4,682
TOTAL		85,556

Capital Programme

Capital Programme – Expenditure and Financing								
Capital Scheme	2015/16 Programme	Capital Grants	Directly Funded Borrowing	Un-supported Borrowing	Capital Receipts	External Contribution	Commu ted Sums	RCCO
	£000	£000	£000	£000	£000	£000	£000	£000
Offerton Precinct Development	226					226		
Gateway Facelifting	64			9	55			
Stockport Exchange (Phase 2)	13,094		13,094					
Covent Garden	630		37					593
Supporting local businesses (PIF 2011/12)	15			15				
Brinnington Regeneration (PRG)	42	42						
Portas Pilot Bid match-funding (PIF 2012/13)	59			59				
<i>(continued on next page)</i>								

Capital Programme cont.

Capital Programme – Expenditure and Financing								
Capital Scheme	2015/16 Program me	Capital Grants	Directly Funded Borrowing	Un- supported Borrowing	Capital Receipts	External Contribution	Commu ted Sums	RCCO
	£000	£000	£000	£000	£000	£000	£000	£000
Redrock Development Scheme	17,210		16,600	610				
Gorsey Bank	4,682		4,682					
Markets and Underbanks	1,952		1,800					152
Swann Lane (The Coach House)	159				159			
GM Broadband	5,006	2,830		313		1,863		0
Affordable Homes (SHL)	4,682		4,682					
Disabled Facilities Grant	1,096	1,096						
Renewal	501				438	63		
Total General Fund	49,418	3,968	40,895	4,606	652	2,152	0	745
HRA - general capital schemes	17,712		631					17,081
HRA - new build scheme	11,584	2,223	8,378		703			280
Total HRA	29,296	2,223	9,009	0	703	0	0	17,361
Total	78,714	6,191	49,904	1,006	1,355	2,152	0	18,106

2015/16 Key Portfolio Priorities

Each of the services and functions identified earlier in this document will have a number of priorities to be delivered during 2015/16. These will be set out in the relevant functional and service business plans. The 'day to day' business of the Thriving Economy Portfolio incorporates the following improvement priorities, and regular updates will be provided on these throughout the year.

<u>Service Improvement Priorities include:</u>	
Developing an updated strategic housing needs assessment	Working with the private sector to attract and retain businesses
Liaising with property developers to deliver housing developments	Developing the new Management Agreement between the Council and Stockport Homes
Ensuring that local employment agreements are included and implemented in major construction projects	Delivering commercial regeneration schemes to create employment and business opportunities in Stockport

Investing in Stockport Priorities

Investing in Stockport is the Council's approach to making the most of existing resources and opportunities in order to respond to the significant challenges it faces. This will be delivered through a programme of service reform, changing the way we do things to meet new demands, alongside stimulating economic growth. The Supporting Places Portfolio will focus on the following Investing in Stockport delivery priorities for 2015/16:

Facilitating Accelerated Growth

This proposal focusses on maintaining and accelerating the pace of sustainable economic and residential growth across the Borough. By accelerating the pace of sustainable development the Council can capture the benefits of new homes, offices, and development through increases in locally retained business rates, New Homes Bonus, and Council Tax; all of which support the delivery of local public services. To accelerate the pace of regeneration the Council will continue to re-shape its own services to pursue a more co-ordinated and proactive approach to growth whilst continuing to work closely with partners and with the private sector to remove barriers to delivery and to create delivery partnerships where required.

Museums and Cultural Attractions (Markets)

This element of the Museums and Cultural Attractions project will establish a new delivery model for Stockport Market that complements other initiatives around the Underbanks and Market Place.

2015/16 Portfolio operating context

Much of the strategic context within which the Council's services will operate over the coming year will provide a local response to initiatives led by the Greater Manchester Combined Authority. The emerging GM Spatial Framework that will result in a statutory joint planning document for Greater Manchester on employment and residential land supply will complement efforts to stimulate increased house-building through the GM Place and GM Housing Investment Fund models.

Measuring Performance and Reporting Progress

The performance indicators below include statutory and locally defined measures and help monitor performance against the Portfolio's key priorities.

The measures have been chosen to reflect the impact or outcome of activity that is relevant to achieving the Council's objectives. They will also reflect inputs, outputs or processes which deliver results that contribute to the wider outcome, and are structured around where responsibility lies for delivery with the Council or across Partners, or whether these are purely contextual measures subject to wider influences.

These measures will be reviewed in light of the new delivery models being developed to ensure that they continue to reflect progress in achieving better outcomes for Stockport.

The measures included below are those considered most appropriate to include in this document and be reported on a quarterly or annual basis. As has been the case in previous years, should scrutiny members wish to examine a particular service / function's performance in more detail then specific reports would be produced which include a wide range of measures and other means of assessing performance.

Measures in bold will be reported in the Corporate Report.

PI Code	PI Name	Reported	2013/14 Value	2014/15 Value	2015/16 Target
Council					
TE.01	% occupied managed workspace and incubator floorspace actively managed for start-up/micro businesses	Quarterly	70%	68%	71%
TE.02	Footfall in Market Area: Change from Previous Year in Footfall	Annually	N/A	240,025	Aim to increase
Partnership					
TE.03	Net Additional Homes Provided	Quarterly	374	390	350
TE.04	Net Affordable Homes Delivered (Gross)	Quarterly	136	170	130
TE.05	No. units market and intermediate housing delivered in neighbourhood management areas	Quarterly	30	72	36

Measuring Performance – Delivering Services (Cont.)

PI Code	PI Name	Reported	2013/14 Value	2014/15 Value	2015/16 Target
Contextual					
TE.06	Overall Employment rate (working-age)	Quarterly	75.5%	76.8%	Aim to increase
TE.07	% working age people claiming out of work benefits in the borough (rolling four-Q average)	Quarterly	10.4%	9.9%	Aim to decrease
TE.08	% working age people claiming out of work benefits in the neighbourhood management areas (rolling four-Q average)	Quarterly	31.1%	30.0%	Aim to decrease
TE.08 (a)	% working age people claiming out of work benefits in Brinnington (rolling four-Q average)	Quarterly	35.5%	33.9%	Aim to decrease
TE.08 (b)	% working age people claiming out of work benefits in Adswood and Bridgehall (rolling four-Q average)	Quarterly	24.2%	22.8%	Aim to decrease
TE.08 (c)	% working age people claiming out of work benefits in Central Area (rolling four-Q average)	Quarterly	33.9%	33.3%	Aim to decrease
TE.08 (d)	% working age people claiming out of work benefits in Offerton (rolling four-Q average)	Quarterly	25.9%	24.7%	Aim to decrease
TE.09	Proportion of occupied retail, commercial and business premises within the borough's district centres	Annually	91.7%	92.0%	Aim to increase
TE.10	Proportion of occupied retail, commercial and business premises within the Town Centre	6-monthly	78.5%	80.1%	Aim to increase
TE.11	No. independent businesses in the town centre	6-monthly	320	334	Aim to maintain
TE.12	Sqft of office, retail and industrial space let or sold to new occupiers	Quarterly	621,890	680,000	Aim to increase

Measuring Performance – Delivering Services – Proposed Changes to Indicators

Old PI Name	Reason for Removal / Proposed New PI Name
Council	
No. new businesses created through programmes and initiatives	Data no longer available from new providers since SMBC funding contribution ended
No of additional units of accommodation for older people or vulnerable households	Specialist housing service provision removed from Growth service under IIS proposal
Market occupancy levels: % indoor operating capacity used	Market occupancy PIs do not capture the full range of activity in Market Place (e.g. Teenage Market, Vintage Village, Foodie Friday, etc) or its viability as a key part of the TC. Suggestion to replace it with - Footfall in Market Area: Change from Previous Year
Market occupancy levels: % outdoor operating capacity used	
Partnership	
% new and converted dwellings built on previously-developed land	Unsuitable for quarterly performance reporting as data is collected and published annually in the Annual Monitoring Report alongside a range of other measures on planning policies and development management
% new housing in an accessible location	

Investing in Stockport – Delivering Reform

The following headline milestones have been identified for the Reform projects within this Portfolio. Robust risk management, stakeholder consultation and engagement and implementation planning will be key to successfully meeting these milestones. Implementation timeframes are regularly reviewed as part of project planning and implementation to ensure these are deliverable. Progress towards achieving these milestones will be reported as part of the quarterly Portfolio, Performance and Resource reports.

Detailed Business Cases for each project have been approved by the Executive. These include a comprehensive project risk register and can be found on the Investing In Stockport web page – www.stockport.gov.uk/investinginstockport

Project / Programme	Agreed milestones 2015/16	Delivered by	Responsible Officer
Accelerated Growth	Current Accelerated Growth service redesign project complete		Corporate Director for Place
Museums and Cultural Attractions (Markets)	Revised Markets Operational Model in Place	March 2016	Corporate Director for Place

Managing Risks

This Portfolio Risk Register is informed by the strategic objectives set out in this Agreement, and incorporates key risks from the IIS project risk registers.

Risk Ref	Risk Description (and potential impact)	Existing Controls	Responsible officer
1	Unemployment Rates - Increased unemployment rates (particularly youth unemployment) as a result of the prevailing economic conditions	<ol style="list-style-type: none"> 1. Encourage good co-ordination between local services and mainstream programmes e.g. Work Programme, ESF Complex Families and Youth Contract. 2. Work with local providers to encourage 'pre-Apprenticeship' up skilling offer for young unemployed aged 16-24. 3. Work with training providers to ensure relevant customers are job ready. 4. Work with local employers, e.g. through the Chamber and Economic Alliance to raise awareness and promote the offer to employers. 5. Local economic development, business support and regeneration to encourage job creation. 6. Development of local labour agreements where appropriate. 7. Continue to deliver drop in advice and guidance sessions and facilitate Work Clubs in priority neighbourhoods 	Richard Mortimer
2	Effectiveness of Government welfare to work programmes - Government Welfare to Work programmes not effectively reaching the right people and priority neighbourhoods	<ol style="list-style-type: none"> 1. Continue to take a neighbourhood management approach to economic wellbeing and employment & skills services. 2. Work closely with Work Programme and ESF contractors to promote service alignment and use of venues in priority neighbourhoods. 3. Job fairs and local recruitment / redundancy support for businesses 4. Link Government Welfare to Work providers to Troubled Families agenda / services 	Richard Mortimer
3	Capital Programme Allocation	<ol style="list-style-type: none"> 1. Detailed annual programmes that give a clear indication of anticipated programme. 2. Closely monitoring the programme and updating accordingly. 3. Existing project management systems ensure change details are communicated immediately. 4. Strategic Alliance Partnership allows rapid closedown of contracts. 5. Regularly forecasting ahead the potential impact on the workforce. 6. Exploring cross working opportunities and other sources of income. 	Michael Cullen

Risk Ref	Risk Description (and potential impact)	Existing Controls	Responsible officer
4	Delivery of viable housing development sites	<ol style="list-style-type: none"> 1. Improve liaison with private sector providers; 2. Promote suitable sites with developers 	Andy Kippax
5	Finance for housing development	<ol style="list-style-type: none"> 1. Launch mortgage support options to help first time buyers (LAMS approved) 2. Undertake master-planning and land assembly to bring forward sites for development. 3. Work with housing providers to investigate alternative funding mechanism and develop opportunities to maximise available funding. 	Andy Kippax
6	Managed workspace/ business incubator financial sustainability	<ol style="list-style-type: none"> 1. Ensure accurate ERDF quarterly claims submitted against profile 2. Ensure Managing agent implements agreed business plan 3. Ensure clear and consistent budget management and reporting 	Nicola Turner
8	Maintenance of assets	<ol style="list-style-type: none"> 1. Regular inspection and rectification 2. Application of building control regulations 3. Monitoring by Corporate Asset Group 4. Implementation of appropriate safety and security measures 5. Monitoring of activity/liason with civil resilience, community safety and Police to minimise risk 6. Business Continuity plans 7. Regular budget monitoring 	Murray Carr
9	Income generation	<ol style="list-style-type: none"> 1. Regular budget monitoring 2. Promotion of services to encourage take-up of offer 3. Research of opportunities for external funding 4. Timely recovery of charges 5. Investment programme 	Emma Curle
10	Management Information (absence of accurate, current and detailed management information sets could result in development of an offer which fails to engage customers)	<ol style="list-style-type: none"> 1. Creation of key data sets 2. Contract management 3. Regular customer surveys 4. Regular budget monitoring 5. Regular review of customer data 6. Review of competition 7. Performance monitoring of Life Leisure 8. Monitoring of complaints 	Peter Ashworth