

**Newcastle Partnership
Economy Delivery Partnership**

12th March 2009, 9.00 a.m. to 10.30 a.m.

**Venue : Newcastle Partnership, Anderson House,
Market Street, Newcastle**

Agenda

1. Welcome and Introductions
2. Minutes of the last meeting
3. BENE Presentation – Rachel Ford
4. Resource Centres proposal
5. Newcastle Economic Downturn – Collective Response
6. Risk Management
7. Forward Plan

**Newcastle Partnership
Economy Delivery Partnership**

8th January 2009, 9.00 a.m. to 10.30 a.m.

Venue : Newcastle Partnership, Anderson House, Market Street,

Minutes

In attendance

Rob Hamilton (chair), Paul Gallagher, Melanie Bear, Mark Hedley, Sandy Ogilvie, Dan Brophy, Rachel Ford, Barrie Irving, Gill Hewitson, Howard Forrest, Phil Payne, Seth Pearson

Apologies

Janet Hunter

Welcome and Introductions

Rob Hamilton welcomed the group and stressed how valuable the Council believed the Economy Delivery Partnership to be particularly in the economic downturn and hoped it would continue with the high level of commitment shown.

It was agreed that the item on risk would be taken first on the agenda

Risk Management (Mark Hadley)

Mark Hedley of T&W Fire and Rescue explained that he would be supporting the group to undertake its risk assessment. The aim was to identify high level risks through discussion with partners and generate a register and action plan.

It was **agreed** that work should start with the Council to help set parameters around

- objectives
- capacity to deliver
- fit for purpose

Local Area Agreement target review

Seth Pearson spoke to a presentation which highlighted the rise in benefit claimants due to increased numbers of people claiming Job Seekers Allowance since mid 2008 and illustrated how this increase had been estimated to continue. A table of revised Local Area Agreement targets was considered. (presentation attached – *NOTE targets marginally updated subsequently reflecting data update*)

Comments were made in the following discussion that the estimates of increased claimant rates was conservative and the impact of the proposed interventions was ambitious.

With these comments the revised targets were **agreed**

Economic Conditions & Updates from members

Rob Hamilton spoke to a presentation (attached) which provided an update on the economic downturn since the last meeting.

Discussion followed where agencies updated their recent experiences linked to the downturn including:

BENE – has witnessed no slowdown in appointments

PNE – has been notified of two bankruptcies which would not raise alarm. Their 130 units are full but Sandy O felt it was probably too early to see impact

Dan B.

- reported that Tyne and Wear business support agencies were reporting high occupancy rates but there were no waiting lists
- The Credit Crunch Fund has now been increased from £2 mill to £8 mill. The effect of reduced availability of finance was now clearly visible.

Chris Wormold - Director General - Local Government and Regeneration has called for greater collaboration of public agencies.

Dan Brophy commented that the management and compliance requirements of European Funds was acting as a major obstacle.

BENE. Rachel Ford gave an outline of survey of businesses assessing the impact of tightening credit. 8,000 businesses were surveyed with 7% responding. 27% of respondents said that decisions from banks was having an impact on them which included changes in overdraft and loans rates and withdrawal of offers of finance. Sectors most effected were construction, manufacture, health and social care, wholesale and retail. Geographically Northumberland & Tees Valley and rural areas were experiencing the greatest impact. Businesses employing 1 to 4 employees were the biggest respondent group and also those experiencing greatest impact. The effect on business was a reduced ability to invest and redundancies. BENE intends to repeat the survey as several respondents were expecting to see change in the near future.

Rachel outlined measures BENE were taking to support businesses including:

- advice on how to survive downturn circulated
- healthchecks
- mentoring
- information gathering

Take up was as yet limited but activity is in hand to raise awareness through advertising.

Overall BENE's targets remain the same but the focus of activity had changed to aid business survival.

Rachel agreed to circulate to the group the Economic Update BENE produce.

Phil Payne updated that NGI was reporting a 4% growth in tourism but a hotel occupancy was down 8% and there had been a 4% reduction in the level of conference and business occupancy.

NGI were looking to focus on attracting international business. The City Development Company was now launched and co-located with NGI. High on their priority list was a new convention centre.

Investment plans for hotels were likely to suffer with mid range hotels seeing the greatest impact.

Any Other Business

It was agreed that this group should consider its relationship with its equivalent in Gateshead in relation to the City Development Company and the economic master plan.