



## **Economy and Enterprise Overview and Scrutiny Committee**

**Date** Thursday 3 November 2016  
**Time** 9.30 am  
**Venue** Committee Room 2, County Hall, Durham

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### **Business**

#### **Part A**

**Items during which the Press and Public are welcome to attend. Members of the Public can ask questions with the Chairman's agreement.**

1. Apologies for Absence
2. Substitute Members
3. Minutes of the meeting held 26 September 2016 (Pages 1 - 10)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Media Relations
7. EU Funding - Update: (Pages 11 - 24)  
Report of the Corporate Director, Regeneration and Local Services – Funding and Programmes Manager, Regeneration and Local Services.
8. Regional Funding Update - Local Growth Fund: (Pages 25 - 30)  
Report of the Corporate Director, Regeneration and Local Services – Strategy, Policy and Partnerships Team Leader, Regeneration and Local Services.
9. Local Transport Plan - Update: (Pages 31 - 42)  
Report of the Corporate Director, Regeneration and Local Services – Sustainable Transport Manager and Traffic Management Section Manager, Regeneration and Local Services.

10. Masterplans - Update: (Pages 43 - 46)
  - (i) Joint Report of the Director, Transformation and Partnerships and the Corporate Director of Regeneration and Local Services – Spatial Policy Team Leader.
  - (ii) Presentation by the Regeneration Projects Manager and the Community Economic Development Manager, Regeneration and Local Services.
11. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

**Colette Longbottom**  
Head of Legal and Democratic Services

County Hall  
Durham  
26 October 2016

To: **The Members of the Economy and Enterprise Overview and Scrutiny Committee:**

Councillor R Crute (Chairman)  
Councillor A Batey (Vice-Chairman)

Councillors E Adam, J Armstrong, J Bell, J Clare, J Cordon, M Davinson, D Hall, T Henderson, C Kay, B Kellett, J Maitland, H Nicholson, R Ormerod, A Patterson, M Simpson, P Stradling, O Temple and A Willis

**Co-opted Members:**

Mr T Batson and Mr I McLaren

## **DURHAM COUNTY COUNCIL**

### **ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2, County Hall, Durham** on **Monday 26 September 2016** at **9.30 am**

#### **Present:**

**Councillor R Crute (Chairman)**

#### **Members of the Committee:**

Councillors E Adam, J Armstrong, A Batey, J Bell, J Clare, M Davinson, T Henderson, H Nicholson, A Patterson, P Stradling, O Temple and A Willis

#### **Also Present:**

Councillor M Dixon

#### **1 Apologies for Absence**

Apologies for absence were received from Councillors B Kellett, J Maitland, Mr T Batson, Mr I McLaren, M Nicholls, L Pounder and H Smith and Mr T Batson and Mr I McLaren.

#### **2 Substitute Members**

No notification of Substitute Members had been received.

#### **3 Minutes**

The Minutes of the special meeting held 4 March, the meeting 28 June and the special meeting held 28 July 2016 were agreed as correct records and were signed by the Chairman.

The Overview and Scrutiny Officer, Diane Close noted that in relation to a performance query at the 28 June meeting regarding business unit occupancy rates, the information had been received from the Officer and was circulated to Members.

#### **4 Declarations of Interest**

There were no Declarations of Interest.

## **5 Items from Co-opted Members or Interested Parties**

There were no items from Co-opted Members or Interested Parties.

## **6 Media Relations**

The Overview and Scrutiny Officer referred Members to the recent prominent articles and news stories relating to the remit of the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes).

The articles included: the Council helping young IT hopefuls through its Apprentice Training Academy; business leaders urging a delay in the introduction of the apprenticeship levy; the cultural regeneration taking place in Durham over the summer period including the visit by the Flying Scotsman and the Kynren live show and the boost to the economy; the vital contribution made to the County Durham economy by rural businesses; and the revealing of the most visited attractions in the North East by a Visit England survey, with the most visited free attraction being Durham Cathedral and the most visited paid attraction being Beamish Museum.

### **Resolved:**

That the presentation be noted.

## **7 DurhamWorks Programme (YEI Project) - Update**

The Chairman introduced the Strategic Manager – Progression and Learning, Children and Young People's Services who was in attendance to give an update presentation as regards the DurhamWorks Programme (for copy see file of minutes).

The Strategic Manager – Progression and Learning reminded Members that the DurhamWorks Programme was the branding for the Council's Youth Employment Initiative (YEI), having funding of £17.04 million, comprising of £6.39 million YEI allocation, £6.39 million European Social Fund (ESF) allocation and £4.26 million of match funding. It was added that DurhamWorks would support over 5,800 young people in County Durham, aged 16 to 24 who were Not in Employment, Education or Training (NEET) or unemployed and resident in County Durham. Members were reminded of the delays on the part of the Department for Works and Pensions (DWP) in receiving the funding and that the programme was compressed into the period April 2016 to July 2018. Councillors were reminded of the 16 delivery partners involved and that there would be more delivery to come as the programme progresses.

The Committee noted that the delivery model meant that each young person received one-to-one support and access to employment advisors, peer mentors, transition advisors, volunteer mentors and apprenticeship mentors. It was noted that one of the main differences of the DurhamWorks Programme to others was that the support stayed with the young person up until July 2018. It was added that there was focus on helping vulnerable groups including: care leavers; those in contact with the Youth Offending Service; and teenage parents.

Members were referred to a slide showing the outputs from the DurhamWorks programme, with targets of 5,830 unemployed people having participated; 3,777 participants having gained a qualification or employment upon leaving; 1,982 being still participating in employment 6 months after leaving; and 875 still having continued in education or training programmes 6 months after leaving.

Councillors noted that the timeframes involved were very ambitious and there had been a tendering exercise in terms of partners and the sub-contractor framework for more specialist provision, for example for those with Special Educational Needs and Disabilities (SEND).

Members noted that in addition to the delivery partners and sub-contractor framework being in place, there was an Employer Engagement Strategy and also a comprehensive Marketing and Communications Plan, together with extensive performance management and quality assurance systems.

The Strategic Manager – Progression and Learning referred Members to the list of delivery partners so far and highlighted the work of Citizens' Advice County Durham in terms of offering opportunities for young people to join their advice line team, helping those young people gain valuable customer services skills and benefit the CAB in addition.

Members were informed that current performance showed 1,268 participants, with 56% being 16-18 year olds, and 44% being 19-25 year olds. It was added that the gender split was 62% male and 44% female and that 100 participants supported by Regeneration and Economic Development (RED) had progressed into employment, of which 46 were DurhamWorks generated opportunities.

The Committee noted that marketing activities had been scheduled for October in order to try and capture any young people that had not gone to college or sixth form, with several different channels being utilised such as radio, bus stop advertising, a website, social media. Councillors noted a case study, highlighting how DurhamWorks had helped a young person into an apprenticeship and was delivering ongoing support to her. An example of the feedback from employers was also given, with Dunlop BTL, a manufacturer of bearings, transmissions and linkages explaining how "DurhamWorks was very helpful in helping to find the right people for the job".

The Strategic Manager – Progression and Learning noted that Members could help in a number of ways, including: to encourage unemployed young people to contact DurhamWorks for support; to encourage employers to contact DurhamWorks to discuss recruiting a young person and the financial incentives that may be available to them; and to share information about DurhamWorks within local networks.

It was added that there was a national issue in terms of changing the requirements for evidence of eligibility of participants. It was also noted that, as yet, DWP had not progressed any payments for the programme.

The Chairman thanked the Strategic Manager – Progression and Learning and asked Members of the Committee for their questions.

Councillor O Temple noted the information that had been given at the recent Skills Development Working Group and the opportunity Members had then to input as regards this. It was added that during those Working Group meetings it had been highlighted as regards the excellent work the Area Action Partnerships (AAPs) were undertaking, in areas such as Science, Technology, Engineering and Mathematics (STEM) apprenticeships, for example via the Derwentside STEM Hub and asked whether there was scope for partnerships between the AAPs and DurhamWorks.

The Strategic Manager – Progression and Learning noted there would be opportunities, through the 16 delivery partners and three sub-contracts, and would ask a member of the DurhamWorks Team to attend the next Derwent Valley AAP meeting in this respect. The Chairman added that it was an issue highlighted at the Skills Development meetings and that it was important to help to spread the word in terms of DurhamWorks.

Councillor A Batey asked whether all the employers involved were within County Durham or if some were cross-border. The Strategic Manager – Progression and Learning noted while most were within the County, some were outside of the County.

Councillor E Adam noted it was fantastic to see the large number of partners and the work involved and asked whether the 1,268 young people mentioned were people that had already been picked up from other referrals or were they totally new via DurhamWorks. The Strategic Manager – Progression and Learning noted it was a bit of both, a combination of those already having contact with Advisors, 16-18 year olds, with there being added value in terms of those aged 19-24 being picked up. Members noted that in the past there had been 10 Advisors, now 30, with specialists in terms of areas such as SEND and Care Leavers and this was helping with the increase in workload. It was reiterated that one of the differences in term of DurhamWorks in comparison to support in the past was that the support continued after a young person got a placement or job, working with them and the employer to help sustain their position. Councillor E Adam noted that the figure that Overview and Scrutiny would be interested in would be that of the number of young people into apprenticeships and jobs for longer periods, demonstrating that sustainability. The Strategic Manager – Progression and Learning added that the evaluation process would help to show how successful the programme had been. The specification for the evaluation is currently being developed in conjunction with Durham University. The Chairman wondered if it was possible to be able to highlight the GVA/productivity added by the programme to help demonstrate the effectiveness. The Strategic Manager – Progression and Learning noted there were proxies in terms of where jobs are created and in turn how this relates to GVA and therefore would speak to colleagues in this area as regards what information may be possible to share with members at a future meeting of the Committee.

Councillor A Patterson noted she had visited DurhamWorks and had been struck by the robustness of the quality assurance and the level of detail was very good. Councillor A Batey added she would like to thank all the staff for their hard work, especially in terms of the tight timescales given Government delays in terms of funding. Members agreed.

## **Resolved:**

- (i) That the presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further update report on the delivery of the DurhamWorks Programme at a future meeting of the Committee.
- (iii) That the Members of the Children and Young People's Overview and Scrutiny Committee be invited to future meetings of the Committee when an update on the DurhamWorks Programme is included on the agenda.

## **8 Durham Key Options - Update on Consultation**

The Chairman introduced the Housing Team Leader, John Kelly who was in attendance to give an update as regards Durham Key Options (DKO) consultation (for copy see file of minutes).

The Housing Team Leader thanked the Committee for the opportunity to provide an update and reminded Members that the Housing Manager, Marie Smith had been in attendance in the summer to speak to Members in terms of the proposed changes to DKO.

Members noted that key changes included: the under occupancy charge or "bedroom tax", with 14% for one spare bedroom and 25% for two spare bedrooms; affordability issues; greater competition from the private rented sector; housing stock not matching need; the introduction of Local Housing Allowance (LHA) rates from April 2018, for all new tenants post-April 2018, noting pensioners were not exempt. Members were referred to figures in terms of LHA rates and average rents in Durham and Sunderland for comparison, highlighting the deficits in terms of LHA and average rent.

The Housing Team Leader noted in terms of the impact to DKO from 2018 that: 45% of lettings in 2015-16 were to single applicants (2062 from 4622); 1 in 3 of the total lets to single people were to under 35s; 43% of lets to 16 to 24 year olds were single; 29% of lets to 25-34 years olds were single; 600 single, under 35s on the register receive housing benefit; and one-third of register are pensionable age.

Members were reminded of the rationale behind the proposed changes in order to: have fewer bands; remove quotas; have only two medical tiers; have time limits in terms of 12 months for Band 1; remove the low award for "threatened with homelessness"; remove "wanting larger accommodation" outside of overcrowding criteria; prevent those adequately housed from moving on DKO within 12 months of a move; assess all arrears and not just those above the 8 week guideline: and align size eligibility with affordability of rent. Councillors noted the reasons highlighted in the presentation and were referred to a graph showing those in favour of the changes as set out within the consultation, with more than 74% in favour of all the proposed changes. Members were referred to comments made during the consultation in terms of the voluntary sector noting that the proposed changes would make the process easier for vulnerable groups to navigate and in relation to rent arrears staff would be able to look at each case in its own right and discretion would still be used to assess genuine reasons for arrears.

Members were informed that other points to note included: the advertising of low demand properties; 5 weekly bidding cycles beginning each working day; and the proposed improvements to the application form, reducing it from 32 pages to 20, and also the removal of the cover sheet. The Housing Team Leader took Members through the current DKO's application form highlighted where possible amendments may be made and asking members for comments. It was confirmed that the form would be circulated to committee members following the meeting providing an opportunity for them to suggest possible amendments.

The Chairman thanked the Housing Team Leader and asked the Committee for their comments and questions.

Councillor O Temple noted concern as regards "any arrears", rather than the existing 8 weeks and added that while there may be discretion, a number of tenants may find themselves in "technical arrears" due to how their rent is paid and therefore felt that perhaps a 4 week arrears level was perhaps better, with the reduction to zero being counterproductive.

The Housing Team Leader explained that information from landlords reference forms would include information on past arrears and that at this point there was not an intention to look into further investigations in terms of an individual's rent arrears and it was not to try and disqualify people from eligibility, rather to help understand the reasons behind arrears and therefore be in a position to provide advice and identify any support available. It was added that there would be a 6 month review of the revised policy and if any issues in terms of arrears came through this would be looked at.

Councillor J Clare referred to the LHA rates and noted pensioners were not exempt and asked whether everyone would be affected post-April 2016. The Housing Team Leader noted that it would affect all new tenants post-April 2016. Councillor J Clare noted he feared this had the potential to drive people towards private landlords and was pleased that there were triggers in place to be able to help tenants. Councillor J Clare asked in terms of what was the process should a person fall into arrears when in receipt of full housing benefit, and also what the situation was in terms of the demand for bungalows. The Housing Team Leader noted that in the past where people could afford 2-bedroom bungalows, these were the preference; however, in the future this may change as a result of LHA changes.

In relation to the proposed changes to the application form the Chairman asked if the proposals to remove the additional language panel from the application form had been looked at by the Council's Equalities Team. The Housing Team Leader noted that colleagues from Equalities and Legal Services were being asked in terms of what could be possible in terms of providing a supplement as and when required. The Overview and Scrutiny Officer noted should Members have any additional comments on the application form they could forward them to her by 10 October so that they could be taken into account when considering the content of the new DKO application form.



## **Resolved:**

- (i) That the presentation and report identifying the proposed DKO Policy changes to be considered by Cabinet at the meeting on 19 October be noted.
- (ii) That comments made by the Economy and Enterprise Overview and Scrutiny Committee on the content of the new DKO Application Form be fed into the revision process.

## **9 Quarter 4, 2015/16 and Quarter 1, 2016/17 Revenue and Capital Outturn**

The Chairman introduced the Finance Manager, Resources, Azhar Rafiq to speak to Members in relation to the Quarter 4, 2015/16 and Quarter 1, 2016/17 Revenue and Capital Outturn (for copy see file of minutes).

The Finance Manager noted for the Quarter 4 2015/16 Revenue and Capital Outturn the areas that were reported upon were the General Fund Revenue Account and the Capital Programme for the RED Service.

Members noted the service had reporting a outturn position with a cash limit underspend of £1.816 million against a revised annual General Fund Revenue Budget of £27.391 million, in comparison to the Quarter 3 estimated this represented a variance of £0.295 million. Members noted the variances within the budget, with the detailed explanations as set out within the report. The Committee were informed that the service grouping delivered the Medium Term Financial Plan (MTFP) savings for 2015/16 of £1.3 million.

The Committee were reminded that subsequent to the transfer of housing stock, a separate ring-fenced HRA was no longer required, although it was noted that there had been some residual transactions reflecting a short period of activity in 2015/16.

As regards the Capital Programme 2015/16, the Finance Manager explained that the actual spend to date had been 93% of budget, and that some projects were implemented over a number of years and a breakdown of the major capital projects was given at Appendix 2 to the report. It was added that as usual for the outturn report; the Finance Manager had included a further narrative in terms of the major RED capital schemes at Appendix 3 for Members' information.

The Chairman thanked the Finance Manager, noting the breakdown and narrative of capital schemes was always useful and interesting, and asked Members for their questions on the Outturn 2015/16 finance report.

Councillor A Patterson asked as regards the figure of £742,000 in terms of office accommodation. The Finance Manager noted this had been raised at a previous Committee and the Overview and Scrutiny Officer explained that a breakdown had been circulated to Members for information and could be forwarded accordingly.

The Chairman asked the Finance Manager to speak in relation to Quarter 1, 2016/17.

The Finance Manager noted for the Quarter 1 2016/17 Forecast of Revenue and Capital Outturn the areas that were reported upon were the General Fund Revenue Account and the Capital Programme for the RED Service.

Members noted the service was reporting a cash limit underspend of £0.299 million against a revised General Fund Revenue Budget of £26.113 million. Members noted the variances within the budget, with the detailed explanations as set out within the report. The Committee were informed that the service grouping was on track to deliver the Medium Term Financial Plan (MTFP) savings for 2016/17 of £1.118 million.

As regards the Capital Programme 2016/17, the Finance Manager reminded Members that the usual spend profile was such that there was greater spend at the year end, with a breakdown of the major capital projects being given at Appendix 2 to the report.

The Chairman thanked the Finance Manager and noted Members would watch with interest in terms of income from assets.

**Resolved:**

That the reports be noted.

## **10 Quarter 1, 2016/17 Performance Management Report**

The Chairman thanked the Performance and Improvement Team Leader, G Wilkinson who was in attendance to speak to Members in relation to the Quarter 1, 2016/17 Performance Management Report (for copy see file of minutes).

The Performance and Improvement Team Leader reminded Members of the different types of indicators reported, Tracker indicators and Target indicators.

Councillors noted that some of the key achievements in Quarter 1, representing April to June 2016, included improvement in planning applications determined within deadline; the number of affordable homes being delivered had exceeded target, albeit less than in Quarter 1 2015/16, this being due to legislation changes reducing grant levels; and Business Durham activities had created or safeguarded 1,387 potential jobs achieving the annual target within Quarter 1.

Members noted information relating to Tracker Indicators including: the number of net homes completed, 336 in comparison to 246 in Quarter 4 2015/16; the number of homelessness preventions, 363 being in line with the previous quarter, however significantly higher than Quarter 1 2015/16, 276; and the number of acceptances of statutory homelessness duty had increased from 36 in Quarter 1 2015/16 and 28 last quarter to 48 this quarter.

Members noted progress with Council Plan actions, such as the continuing work in terms of the delivery of Auckland Castle Trust's projects and the delivery of the Chapter Homes Business Plan 2015-2019.

It was added that the key performance issues for the theme included the number of apprenticeship starts through DCC schemes having fallen significantly, though it was noted that it was expected that the number of starts would increase once funding was in place.

Members noted the Tracker Indicators set out within the report including: a slight increase in the employment rate, with the number of Job Seekers Allowance (JSA) claimants aged 18-24 remaining steady; and a substantial decrease in those accessing JSA for one year or more. Councillors noted that the gross disposable income per income head had increased, however was below the North East level and still significantly less than the national figure.

Councillors noted several key Council Plan actions that had not achieved target included: defining and agreeing a proposal for North Road in Durham delayed from March 2017 to June 2017 due to extended negotiations; delivery of the traffic flow improvements in Durham City being delayed from September 2017, with no target date set as yet; delivery of access improvements to Durham Rail Station being delayed from October 2016 to March 2017, due to the interruptions in the groundworks; and securing a developer for the North East Industrial Park at Peterlee had been delayed from October 2016 to July 2017 as further work was undertaken in ground investigations and development strategy.

The Chairman thanked the Performance and Improvement Team Leader and noted that the employment rate had gone up in terms of the tracker indicator referred to at Paragraph 7c(i) of the report, however the number of people had decreased. The Performance and Improvement Team Leader noted she would look at this.

Councillor M Davinson asked as regards the occupancy of Business Durham properties, whether the target would change for next year following the sale of Millennium Place and Bracken Hill. The Performance and Improvement Team Leader noted that this would be an issue to be looked at in discussions with by Business Durham and would be addressed accordingly. Councillor M Davinson added that in respect of the landlord accreditation scheme referred to in paragraph 7b, and the requirement for landlords being a member of the scheme prior to accessing support via the Financial Assistance Policy, this had the potential to deter landlords from joining the scheme. There is a need for DCC to look at how it markets the scheme, highlighting the benefits of the scheme to private landlords and the support provided by DCC to those landlords that join the scheme. Councillor J Armstrong noted that this may be an issue for the Portfolio Holder to give a view on, and the Chairman commented that the issue would be raised with the Cabinet Portfolio Holder asking for a response to be provided to Members of the Committee. The Performance and Improvement Team Leader explained that there had been recent presentations on the scheme, with Councillor J Clare adding that "good" landlords that would sign up to such schemes were not the main issue and therefore care must be taken to ensure that the requirements of the scheme are not acting as a deterrent.

Councillor J Clare noted there appeared to be a mismatch between the Business Durham occupancy performance and the information received in the budget report showing an under achievement in income in relation to asset management, was there an issue in terms of targets needing to be aligned. The Performance and Improvement Team Leader noted she would speak to Business Durham in this respect.

Councillor A Patterson noted the number of apprenticeship starts and asked if there was an element of double counting in terms of those via DurhamWorks and the County Durham Apprenticeship Programme. The Performance and Improvement Team Leader noted she would need to check, however, noted the figures in the performance report referred to those via Regeneration and Economic Development however there could be some overlap between the two programmes.

**Resolved:**

That the report be noted.

**11 Scrutiny Review of Support Provided for Skills Development within County Durham**

The Overview and Scrutiny Officer referred Members to the attached draft report of the Support Provided for Skills Development within County Durham Working Group, noting the meetings and visits that had taken place and that the Working Group had agreed the draft report and recommendations at its last meeting. Members were asked for their comments prior to the report being scheduled for submission to Cabinet.

Councillor M Davinson asked whether it could be made clear which AAPs had attended the Working Group meetings, and that the examples set out in the report represented their input rather than all AAPs. This was noted. Councillor A Patterson noted that there was reference to Willington Community Action and added sadly this was no longer operating. Councillor M Davinson noted his thanks to the Overview and Scrutiny Officer and the Chairman added the Committee's thanks to the Overview and Scrutiny Officer and his own thanks to the Members of the Working Group in respect of their contributions.

**Resolved:**

- (i) That the Economy and Enterprise Overview and Scrutiny Committee agree the report of the Scrutiny Working Group looking at the support provided for skills development within County Durham.
- (ii) That the report of the Scrutiny Working Group be submitted for consideration by Cabinet at the meeting on the 19 October 2016 and to a future meeting of the County Durham Economic Partnership.

**12 Minutes of the County Durham Economic Partnership**

The Minutes of the meeting of the County Durham Economic Partnership held 12 July 2016 were received by the Committee for information.

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**Report of Ian Thompson, Corporate Director, Regeneration and Local Services**

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**Purpose of Report**

1. The purpose of the report is to provide an update, since the last report in March 2016, to Overview and Scrutiny on the current status of the EU Structural Funds Programme, specifically current awards and commitments, outstanding allocations, implications of the BREXIT result on EU funding and the direction of travel.

**Background**

2. The European Structural and Investment Fund (ESIF) programme for 2014-2020 programme period, allocated circa €537 million of funding for the North East LEP area, this includes €157 million for County Durham as a Transition Region. Of this, based on the exchange rate in February 2016, County Durham was allocated £73m ERDF and £56m ESF, and a share of £10.5m EAFRD to strengthen economic and social cohesion; improve employment and education opportunities and support rural development. It also includes an additional €9 million to fund a Youth Employment Initiative, aimed at tackling youth unemployment and NEETs.
3. At the time of the last report to Scrutiny in March 2016, there had been a series of open calls for projects; a number of projects had submitted applications, some projects, although limited in number, had been approved and work with partners was continuing to develop a pipeline of activity.
4. In June 2016, the Country voted to leave the European Union. The initial reaction from Government with regard to how to progress with European Funding in light of this was one of uncertainty, resulting in an immediate hold on the approval and contracting of projects. Since then and in recent weeks there have been a series of announcements from the Treasury and the Chancellor about the ability to commit potential future funding while we remain a member of the EU.

**Treasury Announcements**

5. In mid-August the Treasury made an announcement confirming that all projects contracted prior to the Autumn Statement would be guaranteed, even if they are spending beyond the exit from the EU. This gave assurance to those projects with Funding Agreements already in place (for example the YEI Programme DurhamWorks).

In addition to this, DCLG started to issue Funding Agreements to those projects that had been endorsed by the ESIF Sub Committee, but as yet hadn't received formal funding approval. For example, two DCC projects, Business Energy Efficiency Project (BEEP) and Durham Business Opportunities Projects (DBOP) have recently received their Funding Agreements.

6. On 3 October, the Chancellor made a further announcement, confirming that the government will extend the guarantee for EU funding for Structural and Investment fund projects, including agri-environment schemes, signed after the Autumn Statement to the point at which the UK departs the EU. This provides further certainty to those projects applying for EU support. Where projects secure EU funding before we exit, payments will be guaranteed even after Britain has left the EU. The Government has stated however, that all projects need to meet domestic strategic priorities and deliver value for money. The announcement said that each Government department will have responsibility for the allocation of money to projects in line with these conditions and the wider rules on public spending. It is expected that funding decisions will be informed by further announcements in November's Autumn Statement on national strategic priorities and value for money.
7. Recently, the Managing Authorities (Government Departments responsible for managing the funds), working with the ESIF Sub-Committee, have undertaken an exercise to understand the potential for future spending and what the indicative pipeline of activity looks like. All open calls for projects have recently closed, however it is expected that the Managing Authorities, through the ESIF Sub Committee, will work with partners to prepare new calls for projects after the Autumn Statement, once further information and detail from Government is known.
8. As well as the issuing of open calls for projects there is also a desire to support additional ESF funded activity through the Opt-In route (Co-financing through Opt-In organisations is where ESF is matched with national provision and therefore projects do not require local match funding). This however, is subject to a discussion on whether the existing Co-Financing Organisations (SFA and DWP) can commit additional match funding via Opt In procurements beyond July 2018. The ability of the SFA to do this and match fund the programme is tied in to discussions that are taking place about the future devolution and responsibility of the Adult Skills Budget.

### **Current Spend Position**

9. As detailed in the paper to Scrutiny in March 2016 there have been a series of open calls for projects and Opt-In contracts being issued. A number of projects have received or are in the process of receiving Funding Agreements, a number of projects have submitted full applications which are being appraised and a number of outline applications have also been submitted in the last round of open calls which are currently in the process of being assessed. This gives an overall picture of the current level of funding commitments.

10. As of September, a total of £9.74m ERDF had been contracted in County Durham, £23.6m is in contracting stages in the More Developed Area (Northumberland and Tyne and Wear), this is a total of £33.4m ERDF being contracted across the NELEP area. There is a further £46.75m ERDF in projects applications in County Durham (including £11.7m for JEREMIE 2) and £80.16m in project applications in the More Developed Area. Overall, £46.75m, representing 36% of Durham's allocation is either contracted or in projects that are in assessment or appraisal, for the NELEP area as a whole £150.12m is potentially committed, representing 34%.
11. In County Durham, £26.9m of ESF is contracted and in Northumberland and Tyne and Wear, £47.6m of ESF is contracted. This is a total of £74.5m for the NELEP area and represents 37% of the allocation, leaving 63% remaining to be committed.
12. The tables below show the level of commitments and outstanding allocations for ERDF and ESF for County Durham's Transition area. Appendix 1 shows the level of commitment for the NELEP area as a whole, broken down by More Developed and Transition areas.

ERDF	Innovation £million	SME Comp £million	Low Carbon £million	Climate Change £million	CLLD £million	Total £million
<b>Allocation</b>	<b>15.8</b>	<b>34.5</b>	<b>18.3</b>	<b>2.8</b>	<b>1.7</b>	<b>73.1</b>
Contracted	3.14	6.06	0.53	-	0.014	9.74
Pipeline	6.31	23.26	7.05	-	-	36.61
<b>Commitments</b>	<b>9.45</b>	<b>29.31</b>	<b>7.58</b>	<b>-</b>	<b>0.014</b>	<b>46.36</b>
<b>Balance</b>	<b>6.31</b>	<b>5.18</b>	<b>10.73</b>	<b>2.8</b>	<b>1.7</b>	<b>26.73</b>
<b>% remaining</b>	<b>40%</b>	<b>15%</b>	<b>59%</b>	<b>100%</b>	<b>99%</b>	<b>37%</b>

ESF	PA1 Inclusive Labour Markets £million	PA2 Skills for Growth £million	Total £million
<b>Allocation</b>	<b>35.8</b>	<b>20</b>	<b>55.78</b>
<b>Contracted</b>	<b>18.9</b>	<b>8.04</b>	<b>26.94</b>
<b>Remaining</b>	<b>16.9</b>	<b>11.95</b>	<b>28.84</b>
<b>% Remaining</b>	<b>47%</b>	<b>60%</b>	<b>52%</b>

13. Note that the contracted figures include projects that have received grant offer letters (e.g. YEI) and Opt Ins that have been agreed at Sub Committee (including both those that have been awarded, issued and are due to go out post the referendum result / imminently). A list of all ERDF and ESF projects that have been or are in the process of being approved in County Durham is attached as Appendix 2.

### ***Durham County Council Projects***

14. The County Council has submitted a number of funding applications, as follows:

#### **Approved projects**

15. *Youth Employment Initiative (YEI)*  
The DurhamWorks is a programme led by Durham County Council in partnership with eighteen external Delivery Partners. It will support 5,830 15-24 year old unemployed County Durham residents into employment, education or training through intensive and long-term support; innovative and engaging activities to develop motivation, work-related skills and work experience and increased employment opportunities.  
ESF Grant - £12,780,000
16. *Community Led Local Development (CLLD)*  
CLLD is a specific tool for managing ERDF and ESF in a complementary fashion at a local level to provide for smaller community led interventions in a similar way to LEADER. The activity needs to focus on the top 20% deprived wards according to the Index of Multiple Deprivation (2010) and needs to be outside of existing LEADER areas. Following an Open Call for preparatory funding being issued last year, the County Council was successful in receiving approval to develop Local Development Strategies (LDS) and establish Local Action Groups for two areas within County Durham – North Durham (Consett, Stanley and North Chester le Street) and South Durham (Bishop Auckland/Spennymoor). The completed strategies were submitted at the end of August and are currently being considered by a National CLLD Steering Group, as part of a competitive process. The timetable currently indicates that invitations to Stage 2 will be issued by the end of October 2016, subject to Treasury confirmation.  
ERDF Grant £7,130 per CLLD, ESF Grant £6,900 per CLLD
17. *Business Energy Efficiency Project (BEEP)*  
The project will provide an intensive package of support for SMEs on energy efficiency, renewable energy and business resilience to reduce greenhouse gas emissions and bottom line costs, enhancing competitiveness and supporting business growth. In association with the Durham Business Opportunities Programme, one to one best practice support, training and expert technical advice will be provided, backed by an interactive website and a programme of peer to peer business events and social media. A package of energy audits and financial grant support will encourage and enable businesses to take up no/low cost measures and to install appropriate technologies.  
ERDF Grant - £533,887. The key outputs are 240 SMEs supported and a reduction of greenhouse gases.
18. *Durham Business Opportunity Project (DBOP)*  
The project will provide a 3 year programme of business support to encourage and enable SMEs in County Durham to grow, through engaging the businesses and connecting them to opportunities. The project will focus on identifying potential market opportunities for businesses and helping them to realise these opportunities. The project will help to increase the demand for and take-up of regional/national business support products (where available) by County Durham businesses, and will fill gaps in the business support offer, where identified needs of County Durham businesses are not being met. This will result in better-connected, more competitive SMEs.  
ERDF Grant - £624,056. The project outputs are 250 SMEs supported, 105 jobs created and 75 new enterprises supported.



19. *Technical Assistance (TA)*  
Durham County Council, is part of a North East Combined Authority project that has secured Technical Assistance funding, it is funding three members of staff that support the development of projects and provide advice and guidance.
20. *Development of a North East Water Hub*  
DCC is also a key delivery partner in a Durham University led project that has also just received approval for £749,092 ERDF grant to develop a North East Water Science Hub. ERDF grant will help the Council develop an Innovation test bed at Horden examining the opportunities to use waste mine water for heat and commercial mine recovery and in South Moor investment will take place in sustainable urban drainage, examining opportunities to develop new products and processes.

### **Outline Applications**

21. There have been three recent open calls for projects for PA1 Innovation, PA3 SME, PA4 Low Carbon that closed on 30 September 2016. For these open calls the County Council submitted the following five outline applications, which are now currently in the process of being assessed by DCLG:

#### PA1 Innovation

22. *The North East Space and Satellite Applications Hub (NESSA) - £520k ERDF, £991k Total* – support for SMEs to increase innovation capabilities using satellite applications, bring different actors together and tackling societal challenges. Responds to Durham only call but needs to be delivered on national/wider NELEP basis to engage appropriate SMEs, although activities will largely be delivered in Durham addressing its societal challenges.

#### PA3 SME

23. *King James Enterprise Centre - £2.5m ERDF, £5.8m Total* – build and construction of business units and meetings space, facilities management and business support programme.  
*Community Enterprise - £525k ERDF, £875k* – support to increase community enterprise, including advice and guidance and enterprise champions.  
*Digital SME Programmes – £2.4m ERDF, £4m Total* - support to increase the take up of digital technology, removing practical and technical barriers (grants), embed culture, engage and support.

#### PA4 Low Carbon

24. *Solid Wall Insulation Innovation (SWii) - £1.49m ERDF, £2.49 Total* - demonstrate the latest Solid Wall Insulation (SWI) materials, systems and smart construction process in a domestic property innovation trial addressing the high cost of traditional domestic SWI and the market's failure to meet regulatory planning and building regulations and standards.
25. The County Durham Economic Partnership continues to oversee the pipeline of projects within County Durham, with support provided locally to projects from staff employed by the County Council, funded through ERDF & ESF Technical assistance.

## **LEADER**

26. The LEADER Programme is a separate European Union initiative funded through RDPE, to support rural development projects initiated at the local level in order to revitalise rural areas and create jobs. There are two LEADER areas within County Durham; Durham Coast and Lowlands (£1.584m) and North Pennine Dales (£2.133 million). Local Action Groups have been established, bringing together individuals from local public, private and community sectors and will be responsible for the decision making and establishing direction, strategy and priorities.
27. Three projects have been approved within the North Pennine Dales LEADER Programme, with a further six projects are expected to be considered for approval by the Local Action Group in November 2016. The Durham Coast and Lowlands Local Action Group is also due to meet mid-November to consider the approval of five projects. These projects are in line with the LAG's priorities of developing rural tourism and supporting Micro and Small Enterprises and Farm Diversification within the LEADER areas.

## **Governance within the Council**

28. As previously reported the EU funds are only available for projects that fit the eligibility criteria contained within the English Operational Programme and support the objectives within the open calls.
29. Obtaining additional finance for projects through the EU Structural Funds Programme (as well as all other external funding regimes), is still a high priority for the Council, which is reflected by the inclusion of the EU Structural Funds Programme in Big Board 2.
30. The Programme continues to be well publicised within the Council and with partners, to ensure the maximum take up of opportunities for project funding. Senior Officers from the Council remain actively involved in the relevant workstreams of the CDEP.
31. Members will continue to receive regular updates through the Economy and Enterprise Scrutiny Committee. Cllr Foster is a member of the ESIF Sub Committee and the Durham's EU Investment Group, which continues to meet regularly.
32. A report was approved by CMT in October 2014, which sets out a governance process for project applications, this agrees a process whereby every project needs to seek approval from CMT prior to submitting a full funding application, ensuring that there is sufficient oversight and governance of projects being submitted by the County Council and the match funding requirements.

## **Recommendations**

33. Economy and Enterprise Overview and Scrutiny are recommended to:
  - Note the content of the report.
  - Receive further reports as the programme progresses.

## **Background papers**

- Report of the Corporate Management Team – EU Funding programme 1 October, 2014
- Report of Economy and Enterprise OSC – Update on EU Funding programme 30 October 2014.
- Economy and Enterprise Overview and Scrutiny Committee, EU Funding Update, 20 February 2015
- Economy and Enterprise Overview and Scrutiny Committee, EU Funding Update, 10 March 2016
- Youth Employment Initiative – Cabinet Report, 10<sup>th</sup> June 2015

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## **Appendix 1: Implications**

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**Finance –**

None

**Staffing –**

None

**Risk –**

None

**Equality and Diversity –**

None

**Accommodation –**

None

**Crime and Disorder –**

None

**Human Rights –**

None

**Consultation –**

None

**Procurement –**

None

**Disability Discrimination Act –**

None

**Legal Implications –**

None

## Appendix 2

### ERDF Projects (approved or being contracted) within County Durham

#### PA1 Innovation

Projects	Project Sponsor	ERDF Transition	ERDF More Developed	ERDF Total
North East SME Innovation Programme	NE BIC	197,640	622,799	820,439
The Innovation Pathway	RTC North	194,492	848,236	1,042,728
North East Innovation Supernetwork	NE BIC	75,006	446,433	521,439
Innovate2Succeed	RTC North	67,034	432,966	500,000
Emerging Electronics Manufacturing Centre	CPI	2,513,984	81,816	2,595,800
Creativity Works	Newcastle University	88,006	920,084	1,008,090
Centre for Enterprise and innovation	Sunderland University	-	2,384,706	2,384,706
Life Science and Knowledge Cluster	Newcastle City Council	-	5,166,493	5,166,493
Development of a North East Water Hub	Durham University	382,037	367,055	749,092

#### PA3 SME

Projects	Project Sponsor	ERDF Transition	ERDF More Developed	ERDF Total
Creative Industries SME Business Support and Development	NFM Ltd	3,780	451,955	455,735
North East Business Support Fund (NEBS3)	NBSL	1,514,038	2,368,110	3,882,148
Expanding North East Presence in International Markets	NE Worldwide	2,391,050	-	2,391,050
Made in North Tyneside (MINT)	North Tyneside		899,997	899,997
Durham Business Opportunity Programme	Durham County Council	624,056	-	624,056
Enterprise Support in the North East	NEEAL	475,298	853,403	1,328,701
Advancing the Competitiveness of NE Automotive SMEs	NE Automotive Alliance	132,360	569,698	702,058
SME Growth via Facilitated Market Access and Energy Management	NEPIC	95,047	384,456	479,503
Digital Futures	Generator			

		102,000	765,000	867,000
Business Northumberland 2016-19	Arch Commercial Enterprise	-	698,599	698,599
Designing Better Business	RTC North	290,960	1,184,378	1,475,338
Better of in Business	Princess Trust	26,652	281,789	308,441
Northumbria Enterprise and Business Support	Northumbria University	-	1,037,015	1,307,015
Internships and Enterprise	Sunderland University	282,702	2,076,755	2,359,457
Sunderland Software City (Phase 3)	Sunderland City Council	120,173	1,081,554	1,201,727
NELEP Area Fund of Fund (JEREMIE 2)	NECA	11,770,000	41730000	53,500,000

#### PA4 Low Carbon

Projects	Project Sponsor	ERDF Transition	ERDF More Developed	ERDF Total
Business Energy Efficiency Project (BEEP)	Durham County Council	533,887	-	533,887

#### PA8 Community Led Local Development

Projects	Project Sponsor	ERDF Transition	ERDF More Developed	ERDF Total
North Durham CLLD	Durham County Council	7,150		7,150
South Durham CLLD	Durham County Council	7,150		7,150

## ESF Schemes contracted in County Durham

<b>Priority Axis 1: Inclusive Labour Markets</b>	
YEI – DurhamWorks	£12.78m
NECA Mental Health Trailblazer	£0.32m
DWP Opt-in	£1.608m
SFA Opt-in (Total £2.67m incl. management fee) of which:	
<i>Contracts in procurement: Preventative NEET</i>	£0.5m
<i>Community Grants</i>	£0.5m
<i>Support for the Unemployment</i>	£1.5m
Big Lottery Fund Building Better Opportunities	£1.5m
CLLD Prep work	£0.0138m
<b>PA2 Skills for Growth</b>	
SAF Opt In - Employee Support for Skills	£5.6m
SFA Opt In - Support for placements, internships and education and business links	£1.2m

Appendix 1

ERDF Spend Position

ERDF - Transition	PA1	PA3	PA4	PA5	PA8	Total
<b>Allocation</b>	<b>15,757,867</b>	<b>34,492,581</b>	<b>18,310,691</b>	<b>2,795,501</b>	<b>1,730,704</b>	<b>73,087,344</b>
Contracted	3,136,162	6,058,116	533,887	-	14,300	9,742,465
Pipeline	6,312,580	23,255,078	7,045,470	-	-	36,613,128
<b>Commitments</b>	<b>9,448,742</b>	<b>29,313,194</b>	<b>7,579,357</b>	<b>-</b>	<b>14,300</b>	<b>46,355,593</b>
% committed	60%	85%	41%	0%	1%	63%
Balance remaining	6,309,125	5,179,387	10,731,334	2,795,501	1,716,404	26,731,751
<b>% remaining</b>	<b>40%</b>	<b>15%</b>	<b>59%</b>	<b>100%</b>	<b>99%</b>	<b>37%</b>

ERDF - More Developed	PA1	PA3	PA4	PA5	PA8	Total
<b>Allocation</b>	<b>29,632,631</b>	<b>65,792,825</b>	<b>47,618,026</b>	<b>6,392,050</b>	3,302,533	152,738,065
Contracted	10,903,533	12,652,709	-	-	51,990	23,608,232
Pipeline	7,252,772	41,730,000	40,451,890	-	-	89,434,662
<b>Commitments</b>	<b>18,156,305</b>	<b>54,382,709</b>	<b>40,451,890</b>	<b>-</b>	<b>51,990</b>	<b>113,042,894</b>
% committed	61%	83%	85%	0%	2%	74%
Balance remaining	11,476,326	11,410,116	7,166,136	6,392,050	3,250,543	39,695,171
<b>% remaining</b>	<b>39%</b>	<b>17%</b>	<b>15%</b>	<b>100%</b>	<b>98%</b>	<b>26%</b>

ERDF - NELEP Total	PA1	PA3	PA4	PA5	PA8	Total
<b>Allocation</b>	<b>45,390,498</b>	<b>100,285,406</b>	<b>65,928,717</b>	<b>9,187,551</b>	<b>5,033,237</b>	<b>225,825,409</b>
Contracted	14,039,695	18,710,825	533,887	-	66,290	33,350,697
Pipeline	13,565,352	64,985,078	47,497,360	-	-	126,047,790
<b>Commitments</b>	<b>27,605,047</b>	<b>83,695,903</b>	<b>48,031,247</b>	<b>-</b>	<b>66,290</b>	<b>159,398,487</b>
% committed	61%	83%	73%	0%	1%	71%
Balance remaining	17,785,451	16,589,503	17,897,470	9,187,551	4,966,947	66,426,922
<b>% remaining</b>	<b>39%</b>	<b>17%</b>	<b>27%</b>	<b>100%</b>	<b>99%</b>	<b>29%</b>



ESF Spend Position

	Transition		More Developed		NELEP Total	
	£	%	£	%	£	%
Priority Axis 1 Allocation	35,776,311	100%	60,700,410	100%	96,476,721	100%
Legal Commitment	18,897,731	53%	26,683,487	44%	45,581,218	47%
Pipeline Value	1,800,000	5%	8,089,000	13%	9,889,000	10%
Notional balance	15,078,580	42%	25,927,923	43%	41,006,503	43%
Priority Axis 2 Allocation	19,999,053	100%	83,919,776	100%	103,918,829	100%
Legal Commitment	8,047,822	40%	20,914,949	25%	29,962,771	28%
Pipeline Value	0	-	0	-	-	-
Notional balance	11,951,231	60%	63,004,827	75%	74,956,058	72%

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# Economy and Enterprise Overview and Scrutiny Committee

3 November 2016



## Regional Funding Update – Local Growth Fund

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### Report of Ian Thompson, Corporate Director, Regeneration and Local Services

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#### Purpose of the Report

1. The purpose of this report is to provide Economy and Enterprise Overview and Scrutiny Committee with an update on the current position of Local Growth Funding and project funding proposals relating to County Durham.

#### Context

2. Since the recession of 2008, the North East economy has recorded consistent growth rates of around 3% per annum. Employment is now at a record level, driven by private sector growth in manufacturing, digital and business services. The growth in jobs has started to close the employment rate gap with the national average, but productivity levels remain challenging and recent policy changes, the EU Referendum and changes in government have led to greater uncertainty amongst the business sector. Business confidence is mixed in County Durham and we need to ensure that opportunities for funding are maximised and support our plans for economic growth and investment.
3. Since 2014, the government have awarded Growth Deal funds to Local Enterprise Partnerships for projects that benefit a local area and the economy. This is to provide a competitive based single pot investment approach that supported infrastructure, business and housing development through collaboration between local authorities and business. The first round of Growth Deals was announced on 7 July 2014, promising at least £12billion nationally and the second round was announced on 28 January 2015, seeing a further £1billion invested. The North East Local Enterprise Partnership (NELEP) has worked with partners to develop a project pipeline and submitted projects to government that help deliver its economic ambitions set out within the North East Strategic Economic Plan (SEP). The current SEP is undergoing a refresh, but still places its vision for *more and better jobs* at its core aiming to create an extra 100,000 more and better jobs by 2024. A refreshed SEP is due to be published by the end of 2016 which will further refine its focus, investment areas priorities.
4. The third round of Growth Deals are to be announced within the Autumn Statement on 23 November and the NELEP is working with partners to present an appropriate pipeline of projects to government for consideration.

## Local Growth Fund (LGF) Rounds 1 and 2

5. Since July 2014 the North East Growth Deal 1 and 2 programmes have been central to the delivery of the North East SEP. They are investing over £320m to help drive private sector growth and productivity, and ultimately deliver the '*more and better jobs*' ambition for the North East. Once the projects are fully implemented they will lever an estimated £500m of additional investment and support an additional 5,000 jobs.
  
6. Over the two years, the NELEP have released calls inviting project proposals from the private and public sector that could be presented to government and all projects required full business cases. The capital programme has focussed over 50% on infrastructure with the other 50% allocated to projects related to key economic drivers including innovation and skills. Table 1 below lists the Durham County Council projects that have been awarded LGF funding since 2014.

Table 1: Durham County Council Local Growth Fund 1& 2 Funded Projects							
Project	LGF Round	Total Award (£)	Spend to Q4 15/16 (£)	Forecast 16/17 spend (£)	Years	DCC Capital	Project Stage
Infrastructure for Forrest Park	1&2	13m	6.2m	1.03m	15/16-17/18	Yes	In delivery
NETPark Infrastructure Phase 3	1	5m	35k	1.2m	15/16-17/18	Yes	In delivery
Horden Rail Station	Transport Majors	3.34m	-	250k	16/17-18/19	Yes	In development and business case being finalised
NETPark Explorer	2	3.2m	-	2m	16/17-18/19	Yes	In development and business case being finalised
Auckland Castle Welcome Building Infrastructure Works	2	2.16m	-	2m	16/17-18/19	Yes	In delivery
Durham City Incubator	2	1.25	-	1m	16/17-18/19	Yes	In development and business case being finalised

\* Please note that projects have incurred spend for Q1 and Q2.

7. All of the above projects are included with the Regeneration and Local Services Capital Programme to appropriately phase and match the forecasts for delivery in line with each individual project delivery timescales.
8. The county has also benefitted from NELEP wide projects such as the North East Rural Growth Network which was awarded £6.2m to support rural business development and the Local Sustainable Transport Fund Package which was awarded £7.5m and seen investment directed toward Durham Rail Station and wheels to work schemes in the county. Other projects that have received funding within the county but that have been led by partners include: National Centre for Healthcare Photonics Stage 1&2 £8.4m; and Rural Skills Development (East Durham College) £10m.
9. Additional projects have also been included within a project pipeline for future years and these include the Western Relief Road and A19/A189 Seaham Murton Interchange.

### **Local Growth Fund Round 3**

10. LGF round 3 is a competitive round open to every LEP and no area is entitled to a particular share of funding. Awards will be made on a case by case basis by government and proposals must help to increase growth and thus support the priorities within the North East SEP.
11. To accelerate plans for growth and minimise uncertainty in light of the decision to leave the EU, the NELEP submitted a proposal to government in July 2016 that matched £150m LGF to £150m for the Strategic Investment Pot that was planned as part of the North East Devolution programme to create a new North East Investment Programme of £300m for the next five years – set against the SEP themes of skills, innovation, economic infrastructure, business growth and transport. However, in light of the decision not to proceed with the North East Devolution Agreement Consultation on 6 September 2016 this approach is no longer possible. As a result the NELEP and partners within the North East Combined Authority are currently reviewing the current project pipelines to prioritise proposals for investment on a project by project basis.
12. Government have requested that the NELEP prioritises its current submitted pipeline. Based on population share for the NELEP area it has been suggested that funding should be a minimum of £65m. If the NELEP were to continue on its current success it is estimated that the NELEP would be awarded over £100m, however the NELEP want to remain ambitious in its investment ambitions.
13. Table 2 details the pipeline of projects from the county (private and council led) that were submitted to the NELEP in June 2016 and highlights those projects that have been prioritised for the consideration of LGF Round 3 investment. There is recognition that the NELEP need to focus on direct measures to support business growth, job creation and private sector led development to deliver the impact that government is expecting to see from the funded projects. Projects have been considered in terms of deliverability, value for money, strategic fit and synergy with other projects and priorities.

The NELEP Board are looking to hold an extraordinary meeting at the end of October 2016 to consider a revised list ahead of the Autumn Statement deadline. The total LGF Round 3 prioritised project proposals are expected to total in the region of £150m.

<b>Table 2: Local Growth Fund Round 3 Project Pipeline for County Durham</b>			
<b>Durham County Council and Partner Projects proposed for the county</b>	<b>Lead</b>	<b>LGF Round 3 Request</b>	<b>Proposed LGF R3 Ranked Priority to be considered by the NELEP Board</b>
Durham City Package • Durham City Infrastructure Programme for Aykley Heads and North Road • Durham City Sustainable Transport	DCC	£10.49m	In part –North Road request for £3.7m
Rail Freight Interchange – Forrest Park	DCC	£12m	-
Horden Rail Station	DCC	£5.9m	-
NETPark Central	DCC	£5.9m	-
King James Enterprise Centre	DCC	£1m	-
Integra 61	Partner	£3m	Revised to £2.765m
Centre for Emerging Electronics for Internet of Things	Partner	£21m	-
Low Carbon Campus	Partner	£3.61	-
Auckland Castle Trust	Partner	£5.5m	-
Milburngate House	Partner	£8m	-
Houghall Redevelopment Phase 2	Partner	£5m	-
Centre for smart packaging and delivery of medicines	Partner	£16m	Revised to £8m

14. Following the NELEP Board decision in October 2016 the prioritised Round 3 project proposals will be submitted to government. It is expected that the LGF Round 3 awards will be announced as part of the Autumn Statement on 23 November. All projects that are successful will need to have fully developed business cases that present the project justification along with all final costs and delivery timescales.

### **Next Steps**

15. The council will continue to develop and manage its project pipeline to ensure that projects that have secured LGF are fully developed and delivering as planned.
16. If any projects in Durham are successful as part of Round 3, full business cases will need to be finalised with robust costings and supporting information. For those projects that aren't successful, they will remain in a pipeline for potential consideration for future investment opportunities either locally or regionally.

## **Recommendations**

17. The Economy and Enterprise Overview and Scrutiny Committee are asked to note the contents of the report.

## **Background Papers:**

None

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## **Appendix 1: Implications**

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### **Finance –**

There are no financial implications at this stage. Projects that have been awarded LGF 1 & 2 are included within current capital programmes and each project sets out individual match funding and cash flow requirements. Projects that have the potential to receive LGF Round 3 are built into existing priorities within the Regeneration and Local Services Service Grouping Capital Programme. As these project proposals are treated as bids, all projects would have to undergo full business case development and at this point the Council would be made aware of any match funding or cash flow requirements.

### **Staffing –**

None

### **Risk –**

None

### **Equality and Diversity –**

None

### **Accommodation –**

None

### **Crime and Disorder –**

None

### **Human Rights –**

None

### **Consultation –**

None

### **Procurement –**

None

### **Disability Discrimination Act –**

None

### **Legal Implications –**

None



**3 November 2016**

## **Local Transport Plan**

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### **Report of Ian Thompson, Corporate Director, Regeneration and Local Services**

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#### **Purpose of the Report**

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with a brief overview of the Local Transport Plan and its current position.

#### **Background**

- 2 The Local Transport Plan (LTP) was originally introduced by the Department for Transport (DfT) in 2001 and is a statutory document as set out in the Transport Act (2000).
- 3 The duration of each plan was originally set at five years, but the Transport Act (2008) removed the duration requirement.
- 4 In line with Department for Transport (DfT) guidance, our third Local Transport Plan (LTP3) was introduced in April 2011 following approval by Cabinet in March 2011.

#### **Local Transport Plan**

- 5 The role of LTP3 is to provide a transport strategy and delivery plan that supports economic growth in County Durham whilst setting out the authority's policies and objectives for the improvement of all modes of transport.
- 6 With the set duration requirement removed, for our LTP, no end date was set meaning it could be updated and replaced whenever it is deemed suitable.
- 7 In the guidance for the preparation of Local Transport Plans, the DfT set out National Transport Goals and associated challenges/objectives and it was expected that individual LTPs would reflect these as their overarching priorities.
- 8 As suggested, these national goals were adopted for the County Durham LTP3. However, they were worded more appropriately as a local interpretation to link with other council priorities. The goals and objectives adopted are:

<b>Goal - A Stronger Economy through Regeneration</b>	
1	Maintain or improve reliability and predictability of journey times on key routes for business, commuting and freight.
2	Improve connectivity and access to labour markets of key business centres.
3	Deliver transport improvements required to support sustainable housing provision.
4	Ensure local transport networks are resistant and adaptable to shocks such as economic shocks, adverse weather, accidents, attacks and impacts of climate change.
<b>Goal - Reduce Our Carbon Output</b>	
5	Reduce greenhouse gas emissions.
<b>Goal - Safer &amp; Healthier Travel</b>	
6	Reduce the risk of death or injury from accidents.
7	Reduce the cost to health of transport including air quality impacts
8	Improve health by encouraging and enabling physically active travel.
9	Reduce crime, fear of crime and anti-social behaviour on transport networks.
10	Ensure disadvantaged people in deprived or remote areas can access employment opportunities, key services, social networks and goods.
<b>Goal - Improve Quality of Life and a Healthy Natural Environment</b>	
11	Reduce numbers of people and dwellings exposed to high levels of transport noise.
12	Minimise impacts of transport on natural environment, heritage and landscape.
13	Improve the whole journey experience for transport users.
14	Enhance quality of life by improving accessibility to key services, social networks, goods and places.
15	Integrate transport into streetscapes and connections between neighbourhoods.
<b>Goal - Maintain the Transport Asset</b>	
16	Maintenance of the Transport Asset to reflect the importance of the existing highway network.

- 9 For County Durham, the five national transport goals were complemented by a sixth – Maintenance of the Transport Asset and the associated 16<sup>th</sup> objective to reflect the importance of the existing highway network.

### Alignment and Priorities

- 10 In addition to this, LTP3 was written to align with the Sustainable Community Strategy, Regeneration Statement and County Durham Plan Core Strategy. In line with these other strategies and council priorities, the goals were prioritised.
- A Stronger Economy through Regeneration is considered to be the top priority. However, given the intrinsic role and reliance of transport infrastructure in supporting economic activity, Maintain the Transport Asset must be considered the second priority goal.
  - Sustainable growth without irreversible and increasing damage to the environment is something we have to strive for and, therefore, Reduction of Carbon Output is considered to be the third priority goal.

- The remaining goals of Better Accessibility, Safer & Healthier Travel, Improving Quality of Life & a Healthy Natural Environment are each considered to have equal ranking.

11 Therefore, it follows that prioritisation of the goals in this order also determines the relative importance of the objectives for LTP3, at least until the point at which the Plan is next reviewed.

12 There are also 36 policies contained within LTP3 to support the delivery of the goals and objectives. Details of how these policies align with the goals and objectives are shown in Appendix 3 and 4.

### **Delivering the Local Transport Plan**

13 There are various areas of work and funding associated with the delivery of the LTP goals and objectives, ranging from the Block capital funding allocated by the DfT/North East Combined Authority (NECA) to the day-to-day work of certain DCC teams. These areas include:

#### **Core Programme**

14 In order to best utilise the capital funding to meet the objectives, it has been aligned to the following delivery areas:

- Sustainable Travel
- Economic/Transport Corridors
- Whole-Town Approach
- Revenue Support
- Maintaining the Transport Asset

15 Within these delivery areas, the allocation is further disaggregated to budget headings relating to specific areas of delivery. See Appendix 2 for more detailed information.

#### **Major Schemes**

16 There are some larger scale transport related improvement schemes that are outside the scope of delivery from LTP capital funding alone. These can be funded from a variety of sources, such as:

- Developer contributions
- DfT funding bids (e.g. Local Pinch Point Funding)
- DCC Capital Programme
- North East Combined Authority (LSTF Capital/LGF)

#### **DCC Activities**

17 The delivery of these wide ranging goals, objectives and interventions, is greater than the direct influence of the LTP3, its capital budgets and major

schemes or associated projects. Therefore, there are other areas or work needed to be able to deliver the full scope of LTP3.

- 18 These areas are delivered by various teams throughout the council via their general work and/or services they provide.

### **Sustainable Transport Transition Year Funding & Access Fund**

- 19 There have been two Local Sustainable Transport Fund (LSTF) schemes undertaken in County Durham:
- Local Motion, promoting the use of sustainable travel in the south of the county, took place between 2011 – 2016
  - Walk to School Outreach/Walk To, in conjunction with Living Streets to promote walking in schools (and work places in the final year) took place between 2012 – 2016
- 20 Following the end of LSTF funding in 2016, as Transport Authority duties are now held by the NECA, it is for the Combined Authority to bid for future funding from DfT.
- 21 The NECA bid for Sustainable Transport Transition Year Funding (STTYF) (the successor to LSTF) for the 2016/17 financial year is based on the already established 'Go Smarter' campaign in Tyne & Wear and Northumberland and were successful in obtaining this funding. This programme is now being implemented in County Durham extending the excellent work done in LSTF into the Chester-le-Street and Durham City areas.
- 22 We have since bid (as NECA) for further DfT funding from the Access Fund (a 3-year programme succeeding STTYF) for which an announcement is expected in December 2016.

### **LTP Capital Funding**

- 23 The DfT provides capital grant funding via two formula based block allocations of Integrated Transport Block (ITB) and Maintenance Block.
- 24 At the start of LTP3 the ITB funding allocation was significantly reduced across the country and the impact for DCC was the previous annual allocation of around £6million was reduced to £2.984million for the first year of LTP3 (2011/12).
- 25 Although central government increased the overall transport funding allocation nationally for the fifth year (2015/16), this was 'top-sliced' to allow the formation of the Local Growth Scheme fund that local authorities could bid into although this meant a further reduction to their ITB funding.

Year	Maintenance Block (£million)	Integrated Transport Block (£million)
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1 – 2011/12	11.212	2.984
2 – 2012/13	10.679	3.183
3 – 2013/14	10.132	3.183
4 – 2014/15	9.780	4.475
5 – 2015/16	11.886	2.689
6 – 2016/17	10.897	2.689

26 In Year 4 the ITB was to increase whilst the maintenance block continued to be reduced. However, we decided that a better reflection of council priorities would be achieved by diverting the additional IT Block funding into Highway Maintenance.

27 In addition to this, due to various adverse weather events, the DfT also provided additional Highways Maintenance funding over 2013/14 and 2014/15. These, combined, resulted in the following updated allocations.

Year	Maintenance Block (£million)	Integrated Transport Block (£million)
3 – 2013/14	11.968	3.183
4 – 2014/15	12.079	3.183

### Other Funding

28 Improvement schemes of a greater scale (such as roundabouts or new bus stations) are generally outside the scope of LTP capital funding and require support from other services.

29 The Council's capital programme has funded Sunderland Bridge Roundabout, SCOOT and a proportion of Northlands Roundabout amongst others. We were also awarded Office for Low Emission Vehicle (OLEV) funding to introduce further electric vehicle charging points at County Council offices.

30 Nationally, there has now been four tranches of Local Pinch Point Funding made available by the DfT. We were successful in securing funding from Tranche 2 to relieve congestion at A1(M) Junction 63 and Picktree Lane Roundabouts in Chester-le-Street.

31 In addition to this capital funding support, we have benefitted from DfT revenue funding for two Local Sustainable Transport Fund (LSTF) projects concluding in 2015/16, Sustainable Transport Transition Year Funding for 2016/17 and are hopeful of a successful bid for the Access Fund which, if NECA are successful, will extend funding to 2020.

### The Future of the LTP

32 The creation of the NECA (comprising of Durham, Tyne & Wear and Northumberland) from April 2014 has seen the legal status of 'Local Transport

Authority' transfer from the County Council to the new Authority. As a result, the statutory powers previously held by the County Council were transferred to the NECA. While most of these powers have been delegated back to the respective local authorities, NECA will oversee the delivery of transport functions for Durham County Council and the other six local authorities.

- 33 Following the NECA's publication of the 'Transport Manifesto "Our Journey"', development of a new 'Transport Strategy for the North' to cover the whole combined authority area is now underway. It is anticipated this will be published in 2017/18.
- 34 Until this new Plan is agreed, adopted and a delivery strategy for Durham is produced, our existing LTP3 will remain in place.

### **Recommendations**

- 35 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation of this report.

### **Background Paper(s)**

Local Transport Plan 3 – Transport Strategy (April 2011)  
Local Transport Plan 3 – Delivery Strategy (April 2011)  
Local Transport Plan 3 – Appendices (April 2011)  
NECA – Transport Manifesto "Our Journey"

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## **Appendix 1: Implications**

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**Finance** – The budget for LTP3 in 2016-17 is £2.689m for the Integrated Transport Block and £10.897 for the Maintenance Block.

**Staffing** – None.

**Risk** – None

**Equality and Diversity** – Schemes within each project take into consideration equality and diversity

**Accommodation** – None

**Crime and Disorder** – Schemes within each project seek to discourage antisocial behaviour through their design.

**Human Rights** - None

**Consultation** – Consultation is carried out on individual schemes

**Procurement** - None

**Disability Discrimination Act** – It is ensured that people with disabilities are considered in the design of individual schemes.

**Legal Implications** – None

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## **Appendix 2: Delivery Area Information**

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Below is a list of the delivery areas with an explanation of what they cover and some highlighted schemes that have been delivered.

### **Sustainable Travel**

- **Public Transport Information**  
Improvements to timetable provision, travel information and real-time displays to ensure the public have accurate information available to them.
- **Community Transport**  
Providing support to the community transport sector in the provision of vehicles supporting communities and bringing greater accessibility to people.
- **Bus Infrastructure**  
Improvements to physical elements of bus stops including bus shelters, bus box markings, raised access kerbs and access to the bus stops.
- **Bus Priority**  
In order for bus travel to be a more attractive choice for commuting and travelling generally, delays from congestion and infrastructure issues need to be reduced. This may involve altering junctions, re-phasing of traffic signals, introducing bus gates, reallocation of road space for bus priority and other similar improvements to support the running of bus services. Until 2015/16, this had been prioritised and funded by Transit 15.
- **Taxis**  
Improvements to taxi facilities, waiting areas and signage.
- **Workplace Travel Planning & Attitudinal Change**  
Looking at attitude change through publicising the importance of reducing dependence on the private car and encouraging the use of alternative modes of transport, especially for journeys that are made on a regular basis and those of a shorter distance.
- **Casualty Reduction**  
This work involves the analysis of accident data from the police to identify a programme of Accident Investigation and Prevention (AIP) schemes looking at the issues and identifying remedial works accordingly. These works are delivered as a mix of area, route, specific sites and mass action initiatives.
- **Driver Information/UTMC**  
Providing reliable information for drivers can assist the movement of traffic by enabling better informed decision-making by the drivers themselves. Introduction of a UTMC database in County Durham will be of considerable benefit in helping to provide reliable journey times, reduce congestion and assist people in making more sustainable travel choices.



- **Demand Management**  
Demand responsive budget, linked with civil parking enforcement, where issues arising require the provision of new road markings, signage, bollards or other related measures along with their required TROs. There is also the need to ensure signs and markings are appropriate for their locations.
- **Electric Vehicle Charging Infrastructure**  
Supporting the use of electric vehicles by the provision of and improvements to charging points throughout the county.
- **Air Quality/Noise**  
Support for the monitoring of air quality issues in the AQMAs
- **Walking & Cycling**  
Developing and improving the pedestrian and cycling networks to make these sustainable modes of transport more attractive and accessible for all. This has a direct link to the Rights of Way Improvement Plan, Cycling Strategy and County Durham Plan to assist in the delivery of making travel in the County more sustainable.
- **Rail Infrastructure**  
Improvements to rail stations and access to them.
- **Local Accessibility**  
Access improvements to existing local routes often involving the introduction of dropped crossing points (managed by the former Neighbourhood Services).

### **Economic/Transport Corridors**

These schemes involve the identification and improvement of the main freight and commuter routes across the county by removing or reducing delay points. These tend to be the bigger more expensive schemes and can lead to the requirement of additional capital funding for schemes developed that are beyond the scope of LTP funding to deliver. Schemes recently completed include:

- A167 Sunderland Bridge Roundabout,
- A167/A693 Northlands Roundabout Improvements
- A693 Pelton/Perkinsville Junction Improvements

The introduction of cycling super routes also comes under this area where we are looking to provide core cycle routes through the county. The initial corridor, where some infrastructure is already in place, is the A167 which forms part of the proposed Great North Cycleway (Blyth to Darlington). Due to the scale of this scheme and the limited funding available each year, new sections of this route will be completed in stages.

### **Whole-Town Approach**

Focusing on transport improvements within the twelve main settlements in the county in line with the Regeneration Statement ambition for 'Vibrant and Successful Towns'.

## **Maintaining the Transport Asset**

The transport asset is a significant part of the county infrastructure and is used in some part by almost everyone on a daily basis. In order to maintain this diverse asset, there are three areas of work:

- **Highway Maintenance**

As part of the transport asset, the County Council is responsible for the maintenance and management of 3,700kms of highway of which 359kms are Principal or A-class roads, including 3,400kms of footway. These roads are the economic/transport corridors across the county, providing essential links to the motorway A1(M) and the trunk roads A19 and A66.

- **Bridge Maintenance**

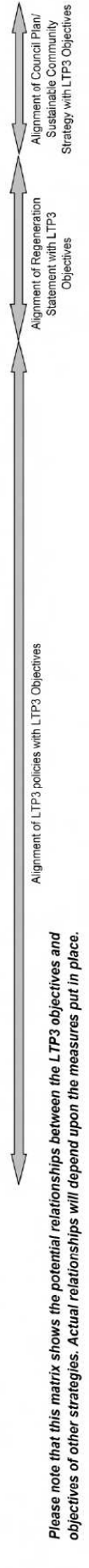
The County Council is responsible for the maintenance and structural integrity of 635 bridges, culverts and underpasses, 83 cattle grids, 446 footbridges on public rights of way and a number of retaining walls on the highway network. In addition to these, structures owned by Network Rail and Rail Property Board, which carry the highway, also need to be maintained in an acceptable condition that affords safe and ready access to all users.

- **Street Lighting**

The County Council is responsible for 80,000 streetlights and some 5,500 illuminated road signs. A high priority is therefore placed on maintaining and managing the existing lighting infrastructure to make it safer. Addressing this, together with the objective of reducing crime and the fear of crime are all associated with the need for a well-maintained lighting network.

# Appendix 3: Goal and Objective Alignment

LTP3 Goals & Objectives	Regeneration Statement Key Ambitions															Council Plan / Sustainable Community Strategy 2010 - 2030				
	Thriving Durham City	Vibrant & Successful Towns	Competitive & Successful People	A Top Location for Business	Sustainable Neighbourhoods & Rural Communities	Maintaining the Transport Asset	Altogether Healthier	Altogether Greener	Altogether Safer	Altogether Better for C&YP										
<b>A Stronger Economy through Regeneration</b> 1. Maintain or improve reliability and predictability of journey times on key routes for business, commuting and freight. 2. Improve connectivity and access to labour markets of key business centres. 3. Deliver transport improvements required to support sustainable housing provision. 4. Ensure local transport networks are resilient and adaptable to shocks such as economic shocks, adverse weather, accidents, attacks and impacts of climate change.	1 Corridor Improvements																			
	2 Cross Boundary Connections																			
	3 Electric Vehicles and Charging Points																			
	4 Traffic Management																			
	5 New Road Infrastructure																			
	6 Climate Change & Carbon Emissions																			
	7 Attitude Change																			
	8 Freight																			
	9 Road Charging and Workplace Parking																			
	10 Demand Management																			
	11 Road Safety																			
	12 Speed Management																			
	13 Traffic Calming																			
	14 Powered Two Wheel Vehicles																			
	<b>Reduce Our Carbon Output</b> 5. Reduce greenhouse gas emissions. <b>Safer &amp; Healthier Travel</b> 6. Reduce the risk of death or injury from accidents. 7. Reduce costs to health of transport including air quality impacts. 8. Improve health by encouraging and enabling physically active travel. 9. Reduce crime, fear of crime and anti social behaviour on transport networks. <b>Better Accessibility to Services</b> 10. Ensure disadvantaged people in deprived or remote areas can access employment opportunities, key services, social networks and goods. <b>Improve Quality of Life and a Healthy Natural Environment</b> 11. Reduce numbers of people and dwellings exposed to high levels of transport noise. 12. Minimise impacts of transport on natural environment, heritage and landscape. 13. Improve the whole journey experience for transport users. 14. Enhance quality of life by improving accessibility to key services, social networks, goods and places. 15. Integrate transport into streetscapes and connections between neighbourhoods.	15 Walking																		
16 Cycling																				
17 Active and Sustainable School Travel																				
18 Workplace Travel Plans																				
19 Air Quality																				
20 Young People and Children																				
21 Less able, disadvantaged and older people																				
22 Bus Travel																				
23 Public Transport Information																				
24 Bus Partnerships																				
25 Community Transport																				
26 Taxis																				
27 Transport Interchange																				
28 Passenger Rail																				
29 Public Parking																				
30 Noise																				
31 Security																				
32 Rural Areas																				
33 Natural and Historic Environment																				
34 Highway Maintenance																				
35 Bridge Maintenance																				
36 Street Lighting																				



Please note that this matrix shows the potential relationships between the LTP3 objectives and objectives of other strategies. Actual relationships will depend upon the measures put in place.



**Economy and Enterprise  
Overview and Scrutiny  
Committee**



**3 November 2016**

**Masterplans and Masterplan  
Updates for County Durham –  
latest position**

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**Joint Report of Lorraine O'Donnell, Director of Transformation  
and Partnerships and Ian Thompson, Corporate Director,  
Regeneration and Local Services**

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**Purpose of the Report**

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with an update on the development of masterplans and on the new proposal to, in addition, prepare shorter Masterplan Updates, prior to a presentation by officers from the Community Economic Development Team and Spatial Policy Team.

**Background**

- 2 The Economy and Enterprise Overview and Scrutiny Committee has previously received presentations providing information on the development of the various masterplans for County Durham. As part of the committee's work programme for 2015/16 members received an update on the development of the masterplans together with detail of the delivery of projects across the County at the meeting held on 29 September, 2015.
- 3 The committee agreed at the meeting on 29 September 2015 that as part of the refresh of the work programme for 2016/17 a further update report would be provided which would also highlight to members further project.
- 4 Arrangements have been made for Chris Myers, Regeneration Projects Manager; Graeme Smith, Spatial Policy Team Leader, Jackie Donnelly and Julie Anson, Community Economic Development Team Leaders, to attend the meeting on the 3 November 2016 and deliver a presentation focusing on current and planned regeneration activity across the County.

**Masterplans and Masterplan Update - Development**

- 5 Masterplans (or Regeneration Frameworks – but referred to in this report as Masterplans) are prepared at a town centre or settlement level and are developed to provide detail on current or proposed activity. They are designed to supplement the information provided through the planning framework and can provide an opportunity to ensure the effective alignment of services or investment by the Council and its partners at a local level. This can include town centre improvement budgets, highways and local transport investment and alignment of the Council's accommodation and customer services approaches.



- 6 The development and adoption of masterplans provides an opportunity to challenge, prioritise and channel resources to the most appropriate locations and ensure that requirements and opportunities are resourced appropriately. This has become particularly relevant given the ongoing pressures on public finances and the relatively weak private development sector.
- 7 All masterplans produced follow a broadly similar format and are developed using a multi-disciplinary group of staff driven by the Regeneration and Local Services (formerly Regeneration and Economic Development) service grouping which typically included Planning, Economic Development, Housing and Transport colleagues and depending on the location other service areas or partner organisations may input throughout the process.
- 8 As part of the development of the masterplans detailed consultation has taken place with external individuals, groups and organisations that fed their thoughts into the document. A key element of this consultation relates to the relevant Area Action Partnerships, many of which have identified or retain task and finish groups looking at the main centres.
- 9 On the basis that the timescale to replace all of the masterplans is quite long-term, and that a number of projects and initiatives are underway across the County, it is considered prudent to prepare shorter Masterplan Update documents to provide a quicker update of what is happening in 12 of the main towns across the county for the benefit of the local communities.
- 10 The programme for the Masterplan Update documents will be carried out in three batches; with Bishop Auckland, Chester-le-Street, Newton Aycliffe and Stanley the first batch (going to Cabinet on 16-11-16); those for Barnard Castle, Consett, Crook, Durham City, in the second batch (going to Cabinet 14-12-16); and Peterlee, Seaham, Shildon and Spennymoor following (going to Cabinet on 18-01-17).

### **Current Position**

- 11 Masterplans have been completed for 12 of the County's main towns and an ongoing schedule to review the documents was agreed by RED Management Team in 2015 for presentation of reviewed documents to Cabinet. A Draft Bishop Auckland document remains in preparation and, in association with key regeneration partners in the town we are planning to appoint consultants early in the New Year to support the completion of the document.
- 12 A refresh of the Chester-le-Street document has been completed in draft following various consultations and will be presented to Members shortly.
- 13 Officers will continue to seek resources through the Capital Programme to implement the various projects outlined in the Masterplan documents. All Masterplans are considered to be "live" documents but the Masterplan Update exercise provides the opportunity to assess progress on the actions set out in the original documents.

## **Recommendations**

- 14 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 15 That the Economy and Enterprise Overview and Scrutiny Committee is kept updated on an annual basis on the development of the various masterplans and masterplan updates within County Durham.

## **Background Paper(s)**

Economy and Enterprise Overview and Scrutiny Report - Masterplans for County Durham – 29 March, 2015.

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## **Appendix 1: Implications**

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**Finance** – Each masterplan contains a detailed delivery plan with identified costs across Council services. The Masterplan Updates provide a quick update and other than staff resource have no financial implications.

**Staffing** – None other than commitment of existing staff in Real.

**Risk** – Detailed risk assessments will be undertaken for each development project.

**Equality and Diversity** – Each masterplan is subject to an Equality Impact Assessment. Further, more detailed work will be identified and addressed on an individual project basis.

**Accommodation** – Accommodation issues will be identified on an individual basis.

**Crime and Disorder** - None

**Human Rights** - None

**Consultation** – Appropriate consultation has taken place in relation to the various masterplans within the County, typically utilising Area Action Partnership structures.

**Procurement** - None

**Disability Discrimination Act** - None although projects coming out of the Masterplans will be assessed as appropriate.

**Legal Implications** – The masterplan documents will provide evidence to support planning decisions but it will have only very limited weight in the planning process.