

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 **Tuesday 28 June 2016 at 9.30 am**

Present:

Councillor R Crute (Chairman)

Members of the Committee:

Councillors E Adam, J Armstrong, A Batey, J Clare, M Davinson, D Hall, B Kellett, J Maitland, H Nicholson, R Ormerod, A Patterson, P Stradling, O Temple and A Willis

Co-opted Members:

Mr T Batson and Mr I McLaren

1 Apologies for Absence

Apologies for absence were received from Councillors T Henderson and C Kay.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meeting held 29 March 2016 were agreed as a correct record and were signed by the Chairman.

Councillor O Temple noted he had asked for further information in respect of expenditure in terms of future accommodation, the Overview and Scrutiny Officer, Diane Close noted information had been circulated by e-mail and would forward details accordingly.

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: an ageing workforce, particularly in the manufacturing industry and the need to promote engineering, technology and manufacturing within schools and colleges as a career choice, mirroring the work of the Committee's Skills Development Working Group; work progressing at Hitachi Rail Europe, with new trains being tested on North East train lines for the first time; ReViral, a company based at NetPark will create additional jobs, with research into drugs combating respiratory disease; a spring campaign by Visit County Durham promoting local heritage, with colleagues from VCD in attendance at Committee today; and confirmation of a fifth Lumiere Festival for Durham in 2017 following the success of Lumiere 2015 attracting 200,000 people and boosting the local economy by £9.6m.

Councillor J Clare added that Hitachi Rail Europe had passed the 500 employees mark at its Newton Aycliffe facility and had won a North East of England CIPD award: HR&D Team of the Year.

Resolved:

That the presentation be noted.

7 County Durham Economic Partnership - Update

The Chairman introduced the Chairman of the County Durham Economic Partnership (CDEP), Professor Brian Tanner who was in attendance to give an update presentation as regards the work of the CDEP (for copy see file of minutes).

The Chairman, CDEP reminded Members that the five measures of success used by the CDEP were: the Employment Rate; Gross Value Added (GVA); Number of Businesses; Household Disposable Income; and Employment Deprived Index of Deprivation. The Committee learned that it was a mixed picture in terms of the figures, with the employment rate being slightly down, currently at 66.8%. It was added that the GVA had improved slightly, being at 83%, and was ahead of the regional figure and on track for the 2030 target. Members noted that the number of businesses had increased slightly to 515, however this was very slow progress towards the 2030 target of 4,300. The Chairman, CDEP noted that disposable income was static versus the region and there was also slow progress in terms of the employment deprived index of deprivation, the 2030 target being movement from 174 to 64, with the current performance being 168.

Members were referred to a graph showing the employment rate over time, comparing the UK, regional and County Durham statistics. The Chairman, CDEP explained that the rate fluctuated, and when taking into account the precision of the data, the latest slight dip in the rate could not be taken as being significant. The Committee noted that looking at the indexed GVA statistics it could be seen that the value per head was similar to that of Northumberland, less than that of Tyneside and England.

Members noted that this data did not take into account localised economic conditions or workforce profile, for example age, and was linked to the quality of jobs and issues such as education, skills and pay, all areas which the CDEP were looking to improve.

The Chairman, CDEP explained that when looking at the non-indexed figures for GVA, there was a trend showing growth, albeit slow growth, and when looking at the index GVA per filled job data, discounting long term unemployed and economically inactive, then County Durham compared more favourably, similar to Tyneside and closer to the England figure. Members were referred to a graph highlighting the trend in terms of the GVA per filled job for County Durham and noted that should the figures continue to increase on trend they would be on course for the 2020 target.

The Committee noted that the CDEP was reviewing its focus on creating more and better jobs, and continuing in its role in terms of the North East Local Enterprise Partnership (NELEP), North East Combined Authority (NECA) and North East European Structural Investment Fund (ESIF) Sub-Committee. Members were reminded of the successes in terms of DurhamWorks, with £16.7 million of funding and an aim for 2,500 jobs, and of Generation North East, in terms of £4.5 million of funding working towards apprenticeships and 2,000 jobs. The Chairman, CDEP explained there were several opportunities for further job creation, noting: expansion at NetPark with Phase 3 having an associated 1,000 jobs; new employment sites, Forest Park, 3,000 jobs and Aykley Heads, 6,000 jobs; and the catalysts for investments at Auckland Castle with the Eleven Arches/Kynren, over £30 million of investment and 200 jobs, and Finance Durham with £20 million of investment and 2,000 jobs.

The Chairman, CDEP explained that there were challenges ahead, including issues stemming from the result of the EU Referendum to leave the European Union, and the ESIF allocation of €157 million. It was added that there are issues in terms of understanding the impact, timescales involved and the next steps. Members noted that there would need to be a response to changes in Welfare Reform, with the impact on Housing Providers and to help mitigate the impact upon the most vulnerable communities. Councillors learned that other challenges included: maintaining a focus on aspirations for better jobs; continuing the successes of the Future Business Magnates (FBM) programme, ran by Business Durham (BD); building Social Value opportunities; and continued cross-partnership working.

The Chairman thanked the Chairman, CDEP, noting the impact of the EU Referendum result and the reduced value of Sterling against the Euro and the impact this may have on EU funding streams, and asked Members for their questions on the update presentation.

Councillor D Hall noted his division, Sherburn, bordered the Sunderland area and asked whether the data presented was simply for County Durham and how cross-border issues were taken into account. The Chairman, CDEP explained that the figures were for County Durham and that as the CDEP would look to raise the employment rate within County Durham, the figures represented County Durham residents.

Councillor E Adam noted that the data showed County Durham at the bottom of statistics both nationally and regionally and added it had long been heard that there would be more and better jobs, and asked where specifically those jobs would come from.

The Chairman, CDEP explained that there would be investment from outside of the County by multinational companies in new jobs, albeit in a new context post-EU Referendum and also from within the County by encouraging entrepreneurs to see the potential to create a viable business in our area. It was reiterated as regards NetPark Phase 3 and the Hitachi facility and the knock on effect in terms of the supply chain for these high quality science and manufacturing jobs. Councillor E Adam noted that from his perspective there were still a relatively small number of jobs in terms of high wage, high skilled employment, with not all the new jobs being created being at that higher level. The Chairman, CDEP disagreed noting that while not all the jobs created were at the highest possible level, they were considerable more skilled and better paid than existing zero-hour contract jobs. It was added that while the numbers may appear small in isolation, it was reiterated that there was a knock on effect in terms of supply chains and also in demonstrating the value in investing in County Durham to other potential employers. The Chairman added that the push in terms of skills development would help and that the issues were to build confidence in the County and to look at issues to help investment such as business rates.

Mr T Batson noted that he felt there was a need to not forget the basic skills, and to aim for a good level of understanding of mathematics as a foundation for developing the next generation of engineers and scientists. Councillor J Armstrong noted that County Durham was doing very well in terms of young people's academic achievement.

Resolved:

That the update presentation be noted.

8 County Durham Plan - Update

The Chairman introduced two of the Council's Senior Policy Officers, Regeneration and Economic Development (RED), Stuart Carter and David Randall who were in attendance to give an update presentation as regards the County Durham Plan (CDP) (for copy see file of minutes).

The Senior Policy Officer, S Carter explained that the CDP would set the context for the right type of development for County Durham and that at the moment without a strategic plan in place there was some difficulty in resisting some forms of development that Members may feel was inappropriate. It was highlighted that it was embedded within the CDP to improve the economy of the County. Councillors noted the CDP would: set out how much development there should be and direct where it should take place; provide a catalyst for investment and certainty to business, communities and developers; set out a consistent approach to development; support local communities and protect the environment; be the tool to resist inappropriate development; and maintain as its key priority to ensure that the economic prospects of the county were maximised.

The Committee noted a timetable in respect of the current CDP process, with Stage 1 being the Issues and Options Consultation taking place over June/July 2016. Members added that Stage 2 would be a Preferred Options Consultation, in December/January 2016/17 with Stage 3 being Pre-Submission Draft Consultation in July/August 2017 with an aim for a final submission of the CDP for approval in December 2017.

The Senior Policy Officer, S Carter noted that 2 years on from the previous CDP submission new updated evidence was available in terms of population and a significant number of development sites, mostly identified within the withdrawn plan, had been approved, around 14,500 homes. It was added that there were new opportunities coming forward, for example Bowburn Integra 61, with 2 million square feet of floor space and that the period since the initial submission had seen two years of an improving economy. It was added that the plan period would be changed to be up to 2033, reflecting 15 years following adoption of the CDP.

It was explained that there were challenges, including meeting the demands of business in terms of good infrastructure suited to a range of international, national, regional and local markets. The Senior Policy Officer, S Carter reiterated the comments made by the Chairman of the CDEP in terms of the need to attract higher paying jobs, and to retain key people and their skills in our County. Members noted other issues included low land values that made viability difficult and an aging population with a decreasing number of working age people available. Members were reminded that there were changing patterns in terms of shopping, with more online retail effecting town centres.

The Senior Policy Officer, S Carter noted that there were many opportunities and that those that could help drive a strong and competitive economy included the developments as mentioned by the Chairman of the CDEP, Forrest Park and Aykley Heads, as well as developments at Hawthorn, Durham University and the University Technical College at Newton Aycliffe. It was added that the visitor economy was important in County Durham, with examples such as the Durham Dales, Beamish and Elven Arches in addition to the castle and cathedral in Durham City.

It was added that there was an opportunity to increase the vitality of town centres, supporting businesses and keeping vacancies low. It was noted that the rural areas within County Durham should also be supported to ensure a prosperous economy. Members were aware of the need to deliver a wide range of housing, and a high quality of homes throughout the County and that sustainable transport should be promoted. It was noted other issues and opportunities included: the roll out of superfast broadband; the world class University; and conveying the quality of life, access to the Countryside and the coast as selling points for County Durham.

In terms of jobs and employment, it was reiterated that there was a focus on improving the employment rate, address labour demand and to look at the supply of business land, including: Durham City; the A1 corridor; the A19 corridor; the Consett area; the Bishop Auckland area; and other sites in the County, including in rural areas.

In terms of housing, it was explained that there were a number of options, namely: a Main Town Focus; Sustainable Communities; Sustainable Communities with Central Durham Villages; and Wider Dispersal. It was added that there was a need to ensure the right housing type in the right area, and to ensure the right number of houses.

It was explained that in terms of the first three options there would need to be a solution in terms of congestion on the A167, assessment of the impact upon the historic core in Durham City, and there would be an amount of greenbelt release required, however they offered positives in terms of accessibility of services and reduced traveling to main centres of work.

It was added that the latter option would increase the amount of travelling required in terms of jobs and accessing services, and there were issues in terms of suitability of land and deliverability, however there would be no greenbelt release.

The Senior Policy Officer, S Carter explained that the current consultation period ran until 5 August and there would be a number of activities including: staffed events at towns and to ensure geographic coverage; static displays at libraries and leisure centres; discussions at Area Action Partnership (AAP) meetings and use of AAP newsletters and social media; Member Briefing; Town and Parish Councils; County Durham Partnership events; local press and radio; the Council's website, Twitter and Facebook; use of executive summaries; and business events.

The Chairman thanked the Officer for his presentation and asked Members for their questions on the update report and presentation.

Councillor D Hall asked for further information in terms of low land values making viability difficult. The Senior Policy Officer, S Carter explained that there were issues in terms of the margins for developers, and whether banks were willing to lend for investments noting previously there had been grants available in terms of supporting the development of former brownfield sites, this is no longer the case.

Councillor R Ormerod noted that within the options for housing there was mention of a solution for the A167 and asked if this was reference to a bypass, and added that he felt Option 1, with a focus on Durham City was not appropriate as Durham City was very small and felt a wider dispersal of housing would be preferable. The Senior Policy Officer, D Randall noted that in the case of the A167, there would be modelling required and a relief road may be one of the possible solutions, with the Council's Strategic Traffic Manager being involved in looking at this and other solutions, such as the SCOOT system, currently being added to the improvements being carried out in Durham City. In terms of the housing options, the Senior Policy Officer, D Randall noted the options were not in any order of preference and that they were just a list at this point, with consultation ongoing and suggestions welcomed. The Chairman asked if suggestions would need to be evidence based. The Senior Policy Officer, D Randall explained that those evidence based suggestions were more likely to be taken forward, however, as each option and aspect could affect other issues there would be a need to evaluate the impacts accordingly.

Councillor H Nicholson noted his concerns in terms of the East and South West of the County being the most deprived areas within the County and felt that the plan should not be too focused on Durham City". Councillor H Nicholson added that he had concerns that some areas could be left behind if there was not a spread of development across the county and noted that it was very important to engage with the public all across the county. The Chairman added that it was important to ensure that there was a very strong case for sustainable communities.

Councillor A Patterson noted that the former Inspector had listened to developers and within this report there was a focus on employment and travel areas. Councillor A Patterson added that it had been noted at several meetings that the county had an aging population and the demand for bungalows was increasing and asked whether there was any control in terms of meeting this demand or was it an issue solely in the hands of the developers.

The Senior Policy Officer, S Carter explained that there had been some questions in terms of those issues and there was a need to have housing suitable for older people. It was added that this would need to be evidence based in order to convince developers and therefore the challenge would be to show the need in terms of accessibility for older people and to ensure that this would be provided in the right places, linked to the relevant services being in place to support older people. The Senior Policy Officer, D Randall added that any potential issues that came to light following the EU Referendum result would need to be addressed, although population projections should not be affected.

Councillor O Temple noted he agreed with Councillor H Nicholson and added that he felt the last iteration of the CDP was too “Durham-Centric” and added he also felt that there had been too much focus on housing rather than on job creation and economic development. Councillor O Temple also noted that the arguments in respect of the impact on greenbelt were mostly in terms of looking at Durham City, with less impact in areas in the East and South of the county.

Councillor J Maitland noted that the East of the county needed jobs and that economic development would be welcomed, however, it was added that there was the additional attraction of the beautiful and historic coastline to consider. Councillor J Maitland added that there was no decent road linking the East and West of the county and felt that some villages were being left behind.

Councillor J Clare noted that the questions posed at this stage of the consultation were not to gauge what Members thought of the CDP, rather a series of questions asking the general direction to inform a draft CDP. Councillor J Clare noted that at this point it was the quality of the questions that was important, and there was a need to demonstrate evidence as regards any need identified, for example for more bungalows. Councillor J Clare added he agreed with Councillor O Temple in terms of there being previously an imbalance between housing allocations and looking at job creation and economic development. Councillor J Clare also noted that Paragraphs 3.28 and 3.29, and Question 11 within the Issues and Options document would be an important way of feeding into the issues of employment land. Councillor J Clare noted the comments of Councillor J Maitland in respect of a route connecting the East and West of the county and asked where such comments would feed into the Issues and Options consultation, and whether the promotion of a North Darlington bypass as an aid to the economy was beyond the remit of the CDP. Councillor J Clare concluded by noting the document had been very well set out, and that he hoped that “evidence based” did not mean that the views of people on the types of communities they wanted would not be heard should there be no hard evidence, as previously stated by Councillor H Nicholson it was important to engage with people across the county.

The Senior Policy Officer, D Randall explained that Question 31 within the Issues and Options document offered the opportunity to comment on potential new roads and added that should Members feel there was not a specific question on an issue they wished to comment on they could make an additional point comment accordingly. Members were reminded of the freepost details for any responses.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the comments of the Members of the Economy and Enterprise Overview and Scrutiny Committee on the Issues and Options consultation be noted and fed into the ongoing consultation.

9 Tourism Marketing Activity Undertaken by Visit County Durham - Update on Progress of Recommendations

The Chairman introduced the Managing Director, Visit County Durham (VCD), Michelle Gorman and the Marketing and Information Manager, VCD, Sarah Johnson who were in attendance to give an update presentation as regards progress of recommendations from the Committee's Review on the Tourism Marketing Activity Undertaken by VCD (for copy see file of minutes).

The Marketing and Information Manager referred Members to the recommendations from the review as set out in Appendix 2 to the report. Councillors recalled Recommendation 1: "In relation to the partnership approach to marketing, VCD seeks to extend its work with partner destinations and the Durham Strategic Marketing Partnership (DSMP) using major events to attract out of region visitors to raise the profile of the county as a visitor destination". The Marketing and Information Manager reminded Members of the role of VCD in terms of the Northern Tourism Growth Fund, with target markets including the United States, China, Australia, New Zealand, Germany and the Netherlands. It was explained that the programme had ended in March 2016 and VCD was discussing with DSMPs and other destinations as regards continuing to market County Durham overseas. Members noted that there would be the use of destination events as hooks to try to encourage visitors to stay longer, and use the "This is Durham" branding and logos for a consistent message. Members noted the new events such as Kynren at Bishop Auckland and Open Treasure at Durham Cathedral, both of which had dedicated marketing plans and VCD staff had been working closely with Eleven Arches and Durham Cathedral for several months.

The Committee learned that there were positives in terms of Recommendation 2: "That VCD continues to develop and redesign the "thisisdurham.com" website and ensure that it remains responsive to the increasing and changing information demands resulting in developments in social media applications". It was explained that the thisisdurham.com site was converting around 66% of web traffic from a possible visit to a definite visit, and that in 2015/16 there were 904,498 unique visitors to the site, exceeding target. The Marketing and Information Manager noted that the website was currently being redesigned to ensure all the latest functionalities were in place, including additional social media integration.

Members noted that VCD was ranked number 1 in the North East in the English Tourism Social Media index, an annual league table which grades tourism bodies in England, and number 6 out of 129 nationally.

Councillors were asked to recall Recommendation 3: “That VCD continues to research and identify national marketing campaign opportunities which benefit partners within the DSMP and promote County Durham as a tourism destination”. It was explained that while the VisitEngland was no longer running domestic campaigns that destinations could participate in, VCD had continued to identify national marketing opportunities.

The Marketing and Information Manager added that, as mentioned at previous meetings of the Committee and Working Group, the latest theme being used was “heritage” and was in partnership with Eleven Arches, Durham Cathedral, Durham University and the Culture and Sport section at Durham County Council (DCC), and a 8 page supplement had been included in the Times newspaper on 7 May 2016, encourage visits and short breaks. Members noted in addition a campaign regarding “outdoors” from Autumn 2016, with media activity including an online film with Ben Fogle, as part of the Great British Adventure series.

Councillors recalled that Recommendation 4 was that: “VCD ensures that robust performance targets and monitoring procedures for all online and offline marketing activity are in place” and it was noted that target were set and monitored, included in the performance reporting to Committee.

It was explained Recommendation 5 had set out: “That the performance evaluation of the effectiveness of marketing activity undertaken in relation to the national marketing campaign is promoted and reported to the County Council as part of its performance management process”. Members noted the usual quarterly reporting against RED Performance Indicators.

The Marketing and Information Manager reminded Members that Recommendation 6 had stated: “That VCD maximises all identified future marketing opportunities for 2015/16 including: the use of major events and developments at attractions in County Durham; the Northern Futures Fund, a new source of funding which promotes northern destinations to overseas markets; and championing as a future priority with the NECA the importance of the tourism related economy”. In this regard, the Marketing and Information Manager noted the Northern Futures Fund, now the Northern Tourism Growth Fund (NTGF) and all the major events were being utilised in promotion of the County. Members noted the success of the relaunched Virtual Lumiere App and the inclusion of developments at Killhope and Beamish Museums as part of the marketing work. Councillors learned that in terms of the NTGF, VCD was heavily involved in the development of the programme with its role including: taking part in all appropriate activities; encouraging as many Durham businesses to take part as possible; and ensuring Durham was profiled in remaining appropriate activities. The Marketing and Information Manager concluded by noting that VCD worked, as part of the Northern Tourism Alliance (NTA), to highlight the importance of the visitor economy in Durham and wider region with the NECA and the NELEP.

The Chairman thanked the Officer and asked Members for their questions on the update report.

Councillor D Hall referred to the previous item in respect of the CDP and asked how VCD fed into that process. The Managing Director explained that the Durham Tourism Management Plan was the strategy document used by VCD and it was through this that issues and development opportunities would be set out.

Councillor E Adam asked if overseas marketing campaigns had ended in March 2016 and was there any evidence of an impact of the success of the campaigns.

The Marketing and Information Manager explained that the evaluation was being carried out by VisitEngland and VisitBritain and that the information would come through in 2017 as regards the impact, though there was some specific campaign information available.

Councillor E Adam noted the performance in terms of the number of jobs supported by the tourism industry had reduced, and the Chairman noted information as regards this was included within the next item on the agenda.

Councillor M Davinson asked what the definition of unique visitor in terms of the thisisdurham.com website was, with the Marketing and Information Manager explaining it meant a unique IP address of a visitors. Councillor M Davinson noted the supplement within the Times newspaper had included a map with several attractions within the County highlighted, however not mentioned within the articles. The Marketing and Information Manager explained that as the current campaign was focused on “heritage” this was the main element being promoted via the supplement and the focus would move to “outdoors” in terms of the campaign from Autumn 2016.

The Chairman noted that the target for web traffic had been set lower than previously and asked why this was the case. The Marketing and Information Manager noted this was in response to the process of changing over to the new thisisdurham.com site, to take into account any impact. Members noted that the target once the new site was in place would be for 1 million unique visitors.

Councillor R Ormerod noted that there were 2 historic counties in our area, County Durham and North Ridding, and asked if there was any connection in terms of VCD’s work. The Marketing and Information Manager noted the historic connections, however, VCD was charged with developing a strong unique brand for County Durham. It was noted that going forward there would be increased cross-border collaborations with neighbouring destinations.

Resolved:

- (i) That the progress report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further update report detailing progress made in relation to the recommendations contained within the Scrutiny Review Report at a future meeting.

10 Quarter 4, 2015/16 Performance Management Report

The Chairman thanked the Performance and Planning Manager who was in attendance to speak to Members in relation to the Quarter 4, 2015/16 Performance Management Report (for copy see file of minutes).

The Performance and Planning Manager reminded Members of the different types of indicators reported, Tracker indicators and Target indicators and added that there had been a change in the reporting of direction of travel, now with a 2% tolerance similar to Performance Indicators.

Councillors noted that some of the key achievements in Quarter 4, representing January to March 2016, included: a significant improvement in planning applications determined within deadline, albeit there was a slight decrease in the number of planning applications; the number of empty properties being brought back into use was slightly less than the previous year, however still better than target; the number of affordable homes completed was above target, although changing legislation reducing grant levels was likely to affect this in the future; that the occupancy of Business Durham premises had continued to rise and was at 87.5% against a target of 79%; and that the overall success rate of adult learning, funded through the Skills Funding Agency (SFA), was 93.2% for the 2014/15 academic year, better than the target of 88%, the previous year performance of 87% and national and region rates of 87% and 83.6% respectively.

Members noted information relating to Tracker Indicators including: an increase in the number of net homes completed, with an annual figure of 1,343 in comparison to 1,083 the previous year; the number of clients accessing the Housing Solutions Service had steadily increased from 2,042 in Quarter 1 to 4,866 in Quarter 4 with an increase in the number homelessness preventions with an annual total of 1,298 preventions, and a decrease in the number of statutory homelessness completions; the number of registered businesses had increased slightly; the number of businesses engaged with by BD had increased slightly, with BD supporting the 3 established business networks in the county; and the occupancy rates in retail units within town centres had improved in 8 of the 12 town centres and were set out within the report. It was added that the figures in relation to those Not in Employment, Education or Training (NEET) had not changed significantly, however the figure of 5.9% was much improved compared to figures of around 10% in previous years. Members noted the progress in terms of the Council Plan Action associated with the Youth Employment Initiative (YEI), DurhamWorks, and with the business park site at Newton Aycliffe, Forrest Park.

It was added that the key performance issue for the theme were: 9 apprenticeship starts through DCC schemes in comparison to a target of 50 in the period October to December 2015, noting funding had been exhausted, however, additional funding had been identified for 2016/17 and it was hoped the number of apprenticeships would increase next year; in Quarter 4, 231 jobs were created through work with existing businesses, below a target of 600 with Members noting the target would be revised; and 191 private sector properties being brought back into use through Local Authority intervention, giving an annual total of 544, below the target of 599 though above the figure of 476 in the previous year.

Members noted the Tracker Indicators set out within the report included information in terms of the employment rate, as mentioned in a previous item; a continued decrease in the number of Job Seekers Allowance (JSA) claimants aged 18-24; and a slight decrease in those accessing JSA for one year or more. Councillors learned that there was an improvement in the number of working age people who were out of work that wanted a job in comparison to the previous year; however, figures were below the North East and national averages.

Councillors noted Council Plan actions that had not achieved target included: adoption of the CDP, timescales as set out in the previous agenda item relating to this issue; planning consent for a Western Relief Road, linked to the CDP; a delay in respect of a Heritage Lottery Fund (HLF) bid in connection with the historic quay at Seaham from April 2016 to September 2016; development of the Millburngate House being delayed from March 2016 to September 2016; delivery of a new car park at Bishop Auckland to support residents and an increase in tourists had been delayed from December 2016 to March 2017, to allow further survey work prior to a planning application being submitted.

The Chairman thanked the Performance and Planning Manager and asked Members for their questions on the report.

Councillor D Hall asked whether issues in connection to mineral rights had been resolved in terms of the Forrest Park development and whether there was any movement in terms of the former baths site in Durham City. The Performance and Planning Manager noted that the general issue of mineral rights was an issue nationally, and was not aware of any issue outstanding as regards the Forrest Park development. In respect of the baths site, the Performance and Planning Manager noted the Council owned the site and a car park, with ongoing work with Durham University who own a strip of land adjacent to the site.

Councillor R Ormerod noted that in terms of the information provided as regards town centre retail units, it would be useful for Members to receive number of units, not just percentage occupancy. The Performance and Planning Manager noted this was possible, together with information in terms of the use class of the units.

The Chairman noted that this was the last Committee that the Performance and Planning Manager would attend before moving to new employment and Members of the Committee thanked him for his excellent service to both the Authority and the Committee and wished him well for the future.

Resolved:

That the report be noted.

11 Refresh of the Work Programme

The Chairman asked the Overview and Scrutiny Officer to speak to Members in relation to the Council Plan 2016-2019 - Refresh of the Work Programme for the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes).

The Overview and Scrutiny Officer reminded Members that the Committee considered a report at the last meeting outlining a draft Work Programme for the Committee. The report had provided detail of the activity undertaken by Members in 2015/16, highlighted areas to be brought forward for inclusion in the 2016/17 Work Programme and additional areas identified under the 'Altogether Wealthier' priority theme of the Council Plan. The proposed Work Programme for the Committee for 2016/17 was attached at Appendix 2 for approval by the Committee.

It was added that a Special Meeting of the Committee was scheduled for 28 July to look at Housing issues: the new County Durham Housing Group; Durham Key Options; and Chapter Homes. Members also noted Special Meetings would be arranged for September and December to look at the draft report of the Skills Development Working Group and next stage in terms of the CDP, LTP 3, Poverty Action Plan and Business Durham respectively. It was explained that new areas for updates would include the Private Landlord Accreditation Scheme and Home Loan Scheme and housing and health initiatives undertaken with social housing providers.

The Chairman noted that the report set out a comprehensive work programme for the Committee and reminded Members of the need to retain flexibility in respect of any emerging issues, and the context of upcoming Council election in 2017. The Chairman added that he felt the most important issues as he saw it were: European Structural Investment Funds (ESIF), the NECA and the devolution agenda; and the CDP.

Councillor J Armstrong noted that there were a number of review updates that could be signed off, allowing the Committee the time to look at emerging issues. Councillor M Davinson noted that if reports were presented in a streamlined fashion, similar to how the Performance and Planning Manager presented the performance information, this would be useful for the Committee.

Councillor J Clare noted that he felt the EU Referendum decision would have massive impact upon the Council and the County and felt that a report on the impact should be received by the Committee. Councillor J Clare added that he felt that Welfare Reform was another major issue that would affect residents in the County and noted it may be relevant to have a working group looking at the impact of the EU Referendum result with a Members' Seminar to help Councillors understand the main issues.

The Chairman noted that in terms of impact, there would be a YEI update at the September meeting of the Committee and added that in respect of current understanding of the impact of leaving the EU there may not yet be the quality of information required, however, once more was known Members should be informed accordingly.

Councillor H Nicholson noted, as he understood, any committed EU funding would be honoured, however, anything subsequent to the Government invoking Article 50 of the Lisbon Treaty may be affected. Councillor A Batey noted some funds were time-bound and if specific criteria associated with the funds were not met there could be issues in terms of potential clawback. Councillor J Armstrong added he had spoken to the Leader of the Council, Councillor S Henig in respect of the EU Referendum, and associated issues such as the NECA and NELEP. Councillor J Clare added there were not just issues in terms of EU Funding, rather other potential impacts and risks to businesses and the Authority.

The Chairman noted wider issues such as credit ratings and business confidence that could be affected. Mr T Batson noted that the Chancellor of the Exchequer had stated that the issue was being looked at by Civil Servants. The Chairman noted the issue was an ongoing one and that Members would maintain a watching brief.

Resolved:

That the Committee agree the Work Programme as set out at Appendix 2 to the report.

12 Minutes of the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 19 April 2016 were received by the Committee for information.