

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Special Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2, County Hall, Durham** on **Thursday 27 February 2020** at **9.30 am**

Present:

Councillor M Clarke (Chair)

Members of the Committee:

Councillors E Adam, J Atkinson, A Batey, L Brown (substitute for E Scott), S Dunn, D Hall, T Henderson, J Higgins, S Iveson, R Manchester, T Tucker, M Wilkes, M Wilson and D Bell

Co-opted Members:

Mrs R Morris

Also Present:

Councillor D Bell

1 Apologies for Absence

Apologies for absence were received from Councillors R Crute, P Sexton and Mr G Binney, and B Coult from the Environment and Sustainable Communities Overview and Scrutiny Committee.

2 Substitute Members

Councillor L Brown substituted for Councillor E Scott.

3 Declarations of Interest

There were no Declarations of Interest.

4 Items from Co-opted Members or Interested Parties

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

5 Transport Policy and Activity - Overview and Progress

The Chair welcomed the Principal Policy Officer, Peter Ollivere and the Section Manager Transport and Infrastructure, Craig MacLennan who were in attendance to provide the Committee with a presentation giving a progress update on transport policy at different geographical scales and how that impacts on the transport function of Durham County Council. In addition, the presentation addresses ongoing and future transport activities within County Durham, sets out some of the challenges and opportunities that currently exist within the transport agenda (for copy see file of minutes).

The Principal Policy Officer reminded Members that the Head of Transport and Contract, Adrian White had attended Committee a year ago and he and the Section Manager Transport and Infrastructure gave an updated position in terms of: strategic transport work at the sub-national level (Transport for the North); regional transport developments (The Joint Transport Committee); funding opportunities; Durham County Council's (DCC) transport infrastructure, development and delivery; the ongoing delivery of the Local Transport Plan; and an update on electric vehicles.

The Chair thanked the Officers and asked Members for their comments and questions.

Councillor J Atkinson asked as regards the Aycliffe Industrial Estate and the Hitachi site, issues relating to unlocking housing sites at Newton Aycliffe, possibilities of a freight line linking to Darlington, and links with the A66 at the back of the Industrial Estate. The Section Manager Transport and Infrastructure noted the Darlington Relief Road was a project between the Tees Valley Combined Authority and the Department for Transport (DfT), with the County Council having been consulted in respect of modelling. He added that the Housing Infrastructure Fund would be utilised at Low Copelaw, with three junction improvements, with capacity and signal improvements. He noted that as regards a freight line, the area was promoted as "rail enabled" and the Masterplan for the area was being developed.

Councillor T Tucker asked for more detail as regards the bus station at Bishop Auckland and in relation to the replacement of the 26 pool vehicles, whether there was a need for DCC to have that many pool cars and commented that with changing numbers of staff and working patterns had an assessment been made as the investment represented as substantial cost. The Principal Policy Officer noted that the 26 vehicles referred to were "pool cars" available to be booked out and utilised by staff travelling between sites and to events and so on. This did not represent the wider council fleet of cars, vans and specialist vehicles. Councillor T Tucker asked if there was information on use, for example were some vehicles being left, simply sitting on charge for long periods of time. The Principal Policy Officer noted it was not just about new vehicles, how they were utilised was also important.

Councillor T Tucker noted she felt it would be useful if information as regards usage was made available, the Principal Policy Officer noted he would look into whether Energy Saving Trust information could be shared.

Councillor T Henderson noted recent developments in relation to HS2, coming as far as Leeds. He added there was a lot to the north of Leeds and emphasised that the North East needed its fair share too. He added he had concerns on the impact on tourism as regards the loss of 11 coach parking spaces in the city and use of the park and ride for such coach parking, with issues of access at weekend and after 7.00pm. The Section Manager Transport and Infrastructure noted coach parking and drop-off was being provided within the city centre at Framwelgate Waterside, a seven-day provision, with the ability for coaches to travel and wait at Belmont if required.

Councillor M Wilkes noted there were several good points within the presentation, though noted several issues that did not appear to be solved including: A177 Coxhoe roundabout; congestion at Brandon from the Park and Ride along the A690; and extending the bus lane at Gilesgate Bank coming into the city. The Section Manager Transport and Infrastructure noted the A177 route and bus priority and added that in relation to Gilesgate Bank there was a bid for funding, to be spent by March 2023, so if successful work would begin on site in 2021. In respect of any potential Park and Ride site there was a need to be able to intercept traffic, however, there was need for balance as if a location was too far out there would be the potential for queues. Councillor M Wilkes noted the queue of traffic up to Browney, where an additional 400 houses were being developed. He added that there were several gridlock areas across the County and added that that it was important to let Local Councillors know as regards works, timescales and issues, Members needed information in order to be able to lobby Government and our MPs.

Councillor S Dunn referred to the £1.45 million set out in the presentation relating to single year funding for lost bus services. He noted bidding as regards electric vehicles, however, he did not feel that the funding was sufficient for what we wished to achieve if the funding was spread from Berwick to Teesside. The Principal Policy Officer noted that the £1.45 million was single year funding and Durham would look to try and secure as much as possible. He added that the Government's £5 billion Bus Fund would help provide ongoing support, though details had yet to be announced.

Councillor S Dunn asked for more detail regards charging infrastructure to run alongside the replacement of 26 pool cars with electric cars, faster charging points, and the 16 £500 grants referred to in the presentation for twenty ChargePoints for Durham County Council. The Principal Planning Officer explained those grants were drawn down in relation to infrastructure at depots. Councillor S Dunn asked if it could be implied that the cost of a charge point was therefore £500.

The Principal Policy Officer noted that £500 was a contribution towards the total cost of each ChargePoint but the total cost was usually higher depending on the speed of the ChargePoint. The hierarchy of charge point speeds was fast, rapid and ultra, with costs varying by speed. He noted the 27 new charge points at the DCC depots were double socketed so effectively 54 points could charge 54 vehicles at any one time. He explained that there was not yet the number of electric vehicles on the road to justify a mass expansion of DCC sockets, though this was increasing through the SOSCI project, and that the private sector would also install charge points at locations such as supermarkets and existing service stations. Where communities were not served by ChargePoints the Council should look to fill gaps.

Councillor E Adam asked whether there was the need for staff to be undertaking multiple journeys, for example with the pool cars, given the technology available such as Skype and Teams, negating the need to meet face-to-face. He noted issues in relation to charging points had been raised at the Environment and Sustainable Communities Overview and Scrutiny Committee, with issues such as community charging points and charging points at employee's houses being discussed.

Councillor E Adam continued and asked in terms of linking bus, rail, car and cycle, how much discussion had there been with the neighbouring Combined Authorities in terms of integrating services, adding he felt pricing was key to getting it right. Councillor E Adam noted the use of electric buses and the impact this would make on air quality and asked as regards the impact that could be made in terms of freight and an increased use of rail, noting previous points made as regards potential rail links. The Principal Policy Officer noted that in respect of rail freight distribution, a study some years ago indicated a prohibitive cost of around £17 million to pump-prime rail freight infrastructure at a site in the County. However, land has been safeguarded at Newton Aycliffe and Tursdale to enable such development should the rail freight market pick up in the North East. The Section Manager Transport and Infrastructure noted the North East economy did not support rail freight this at this point. Councillor E Adam asked as regards pushing the rail freight agenda, the Principal Policy Officer noted the North East Rail Freight Partnership and the North East Transport Plan supported and promoted policies in this regard. The Section Manager Transport and Infrastructure noted Transport for the North leading on such issues and the Strategic Transport Plan including strategic development corridors. The Principal Policy Officer noted this work included 20 Local Authorities, with the Portfolio Holder for Economic Regeneration, Councillor C Marshall representing Durham on the Transport for the North Board.

Councillor A Batey noted the slide referring to funding streams and asked as regards a list of how much was available, what the deadlines were in terms of bids, what successes Durham had, and asked if one of the bids related to the A693 roundabout at Chester-le-Street. The Section Manager Transport and Infrastructure noted the bid related to the Stanley roundabout and Park Road at Oxhill.

Councillor A Batey reiterated the previous points made as regards involving Local Members and letting them know as regards bids, schemes and projects in their areas. The Section Manager Transport and Infrastructure noted in terms of the successes there was a summary prepared and noted DCC had been very successful to date. Councillor A Batey asked as regards charging points in the community and who would pick up the cost of such charge points, adding it would be helpful if links to the relevant contacts could be shared with Councillors. The Principal Planning Officer noted the community charge points was a Government pilot scheme, adding that if communities owned a stake in the charging points people may be more inclined to use them.

Councillor D Hall noted a lot of good work being undertaken by Councils Officers, adding he too felt there was a need to improve the interface with Local Members in this regard. He noted an issue in the area he represented, Sherburn Village, there were a large amount of heavy goods vehicle traffic passing through the village and asked how and who he could speak to in relation to those issues and feeding into discussions relating to freight and rail, noting the Leamside line goes past the village.

Councillor D Hall asked as regards the issues of Electric Vehicles and air quality in Durham City, how could electric taxis be introduced to the City Centre and commented on the need for the necessary charging infrastructure and possibly the introduction of a scrappage deal. He also asked for detail of any income to the Council from charge points and why electric vans were not being looked at in addition to the 26 pool cars, especially with the opportunity from April with such vehicles attracting zero "road tax". The Principal Policy Officer noted it was a good point as regards vans and the zero road tax, and explained the Council's Fleet Manager did note, where possible, to utilise electric vehicles and these were being added more and more to the fleet as older vehicles were being replaced. In terms of income from charge points, there would be a period where the company that installed them on behalf of the Council would recoup their capital costs, however, there would be a percentage to the Council in the longer term. In relation to taxis, the Principal Policy Officer noted Office for Low Emission Vehicles (OLEV) funding relating to rapid charging points for taxis, with several in the wider region, with one being located at Chester-le-Street, albeit with only one electric taxi within Durham City in comparison with a company in Northumberland that only operates electric vehicles. Councillor D Hall noted it was important to be aware of the implications in terms of tax on vehicles over the next 4-5 years and to take every last available opportunity in terms of any EU funding. He highlighted the importance of air quality, with Local Authorities such as Newcastle looking to ban diesel vehicles.

Councillor T Tucker commented that, with hindsight, perhaps a lot of the rail infrastructure removed in the past would have been retained and asked what work had been undertaken in terms of feasibility of joining up our local rail and road routes. The Principal Policy Officer noted there was a great deal of expense in terms of new lines and the investment required in terms of rolling stock.

He noted that some old lines would not have the passenger number to make them viable in the long-term, however, the Beeching Reversal Fund which could be used to fund a feasibility study regarding the opening up of old rail links such as Consett to Newcastle. The Section Manager Transport and Infrastructure noted such issues were looked at in terms of viability.

Councillor J Higgins asked as regards when the last review of the costs of the pool cars had been carried out, and the use of the them by staff to ensure we got value for money. The Principal Policy Officer note efficiency of use was important and how we managed the use of the vehicles, adding that some staff, such as our Neighbourhood Wardens had their own specific vehicles. Councillor J Higgins noted he welcomed the work of the Officers as set out in the presentation and reiterated that it was important to speak to Members as regards issues in their areas. He noted he represented Wingate and noted that if there was an issue with the A19 then traffic through the village was at a standstill. The Section Manager Transport and Infrastructure noted the issues relating to communication with Councillors had been noted.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee, as part of the refresh of the Committee's Work Programme for 2020/21, receives a further progress report on transport policy and activity.

6 Economic and Employment Statistics - Overview

The Chair welcomed the Economic Development Manager, Graham Wood; the Managing Director, Business Durham, Sarah Slaven; the Research and Consultant Officer, John Mitchell; and the Regeneration Policy Team Leader, Glenn Martin who were in attendance to provide Members with an overview in relation to economic and employment statistics (for copy see file of minutes).

The Research and Consultant Officer asked Members to note the information within the agenda papers which was collated from the Durham Insight tool, with links provided within the report. He explained this was an interactive tool and the State of the County report was powerful in that it brought together lots of elements in one place. Members were given a demonstrate of the interactivity of the Durham Insight tool and the Research and Consultant Officer encouraged Councillors to have a greater look outside of the meeting. Members were reminded of the measures of success from the County Durham Economic Partnership (CDEP): employment rate; number of businesses; gross household disposable income; per capita gross value added (GVA); and the Index of Deprivation's employment domain – number of Lower Super Output Areas (LSOAs) ranked nationally in the top 20 percent.

The Regeneration Policy Team Leader noted those key measures had been set up a number of years ago and they would be reviewed in line with the new County Durham Partnership Vision, and new CDEP strategy in due course.

The Managing Director noted the Committee had received an update relating to Business Durham activities at its meeting in November 2019 and noted the work undertaken by Business Durham to impact upon the statistics relating to the number of businesses and the number of people employed. She added it was important to be able to develop the skills to match and noted Members were familiar with the relevant work carried out by Business Durham, including with strategic sites, inward investment, packages to support and help grow businesses, and work to bring in new businesses.

The Economic Development Manager noted that the Committee's Work Programme had looked at many issues recently including the work of the NELEP and the Skills Advisory Panel, DurhamWorks and EU Funding. He referred to the successes of the DurhamWorks programme and of the Future Business Magnates competition and Durham City Incubator.

The Committee were reminded of the Town and Villages programme and other activities including Seaham Townscapes, Crimdon Coastal Hub, World Heritage Site and Brighter Bishop Auckland.

The Economic Development Manager referred to the work relating to infrastructure to help deliver economic growth, with not just physical works in terms of transport, but also in terms of digital infrastructure and the green economy. He gave an example of the Garden Village at Seaham, to utilise geothermal and minewater energy generation.

The Economic Development Manager noted the challenges ahead in terms of EU Funding moving to the Shared Prosperity Fund, though with little detail yet, Local Government and LEP funding, inclusive growth and accessibility. He concluded by noting the uncertainty that existed currently in many of these areas.

The Chair thanked the Officers, noted the Committee would visit several of the strategic sites at the end of April, dates to be confirmed, and asked Members for their comments and questions.

Mrs R Morris asked if we used comparisons with our statistical neighbours. The Research and Consultant Officer explained we did not, with some data sets not matching, though it could be done. Mrs R Morris noted that some neighbouring Authorities did not really compare to County Durham and therefore looking at other Local Authorities with a similar rural nature may be beneficial. She noted the list of NELEP areas of strategic importance: Digital; Advance Manufacturing; Health and Life Science; and Energy and noted it would be important to be able to look at our performance in those terms.

The Managing Director noted we would look to link in start-ups to those areas and the Regeneration Policy Team Leader noted we looked at the NELEP Strategy Economic Plan and Government guidance in this regard. Mr R Morris noted we are aware of the key areas/sectors and she felt we should be “getting in early”. She noted the Future Business Magnates competition was in its fourteen year and asked if there was any feedback in terms of successes. The Managing Director noted she believed some data had been shared with the Committee previously, however, she added that due to the age of the participants there were issues in terms of access to the data and the individuals themselves. She explained there was some anecdotal evidence when former participants contact us, and that schools were approached for their feedback on the programme.

Councillor J Atkinson noted challenges included planning progression, he asked had planning been a delay in any cases in relation to the larger applications. The Managing Director noted that many schemes, especially larger ones, would experience some issues in coming to fruition. She emphasised that the vast majority of feedback received from businesses was that the planning process at the Council was very good. Councillor J Atkinson added that perhaps advice to businesses as regards planning processes could be useful. The Economic Development Manager noted that in those larger instances a “Development Team” approach was taken, with colleagues from various departments such as Transport, Business Durham, Planning, Highways, feed in to give a rapid process and to ensure a good flow of information. He added the Council would always advise pre-application engagement at an early stage to help de-risk schemes.

Councillor E Adam asked for further information relating to zero-hour contracts at a more local level. The Research and Consultant Officer noted that the data was only available at a North East regional level and explained that using that to try to look at the county would give unreliable data, and he would not recommend that in terms of use for looking to target resources. He added that it would be possible to get an overall estimate of the total number of zero-hour contracts, however, not by sector or type.

Councillor E Adam asked as regards the gross household disposable income and whether that could be broken down further in terms of jobs and locations. The Research and Consultant Officer noted it was possible to give an overall and per head figure, however, only gross value added (GVA) data could be broken down by industry sector. Councillor E Adam noted he would question the types of jobs, with data suggesting to him that we were not attracting the right types with both our level of deprivation and GVA unlikely to improve until we address this, and to do so we would need to drill down into the data. The Research and Consultant Officer noted the restrictions in terms of the data, those being from national data sets.

Resolved:

That the report and presentation be noted.