



Economy and Enterprise Overview and Scrutiny Committee

Date Tuesday 23 February 2021
Time 9.30 am
Venue Remote Meeting - held via Microsoft Teams

Business

Part A

**Items which are open to the Public and Press
Members of the public can ask questions with the Chair's agreement,
and if registered to speak.**

1. Apologies for Absence
2. Substitute Members
3. Minutes of the meeting held 7 December 2020 (Pages 3 - 24)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Impact of COVID-19 on the Regeneration, Economy and Growth Service Grouping - Update: (Pages 25 - 44)
 - (i) Report of the Corporate Director of Regeneration, Economy and Growth.
 - (ii) Presentation by the Corporate Director of Regeneration, Economy and Growth.
7. Overview and Scrutiny response to the Minerals and Waste Development Plan Document and the Parking and Accessibility Supplementary Planning Document: (Pages 45 - 56)

Report of the Interim Corporate Director of Resources – presented by the Overview and Scrutiny Officer.

8. Towns and Villages Investment Plan - Progress Update:
(Pages 57 - 78)
 - (i) Report of the Corporate Director of Regeneration, Economy and Growth.
 - (ii) Presentation by the Economic Development Manager, Regeneration, Economy and Growth.
9. Quarter Two 2020/21 - Revenue and Capital Outturn: (Pages 79 - 98)
Joint Report of the Interim Corporate Director of Resources and Corporate Director of Regeneration, Economy and Growth – presented by the Finance Manager, Resources and Regeneration, Resources.
10. Quarter Two 2020/21 - Performance Management Report:
(Pages 99 - 122)
Report of the Interim Corporate Director of Resources – presented by Strategy Team Leader, Resources.
11. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
15 February 2021

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

Councillor M Clarke (Chair)
Councillor R Manchester (Vice-Chair)

Councillors E Adam, J Atkinson, A Batey, R Bell, R Crute, S Dunn, D Hall, T Henderson, J Higgins, S Iveson, L Maddison, J Maitland, R Ormerod, E Scott, P Sexton, W Stelling, M Wilkes and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

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DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held **remotely via Microsoft Teams** on **Monday 7 December 2020** at **9.30 am**

Present:

Councillor M Clarke (Chair)

Members of the Committee:

Councillors E Adam, J Atkinson, A Batey, R Bell, R Crute, S Dunn, T Henderson, J Higgins, S Iveson, R Manchester, R Ormerod, E Scott, T Tucker, M Wilkes and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors B Avery, D Boyes, J Charlton and J Turnbull

1 Apologies for Absence

Apologies for absence were received from Councillor P Sexton and Co-opted Members from the Safer and Stronger Communities Overview and Scrutiny Committee, Chief Fire Officer, S Errington and Mr AJ Cooke.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

Subject to the correction of typographical errors, changing “enquires” to “enquiries”, the minutes of the meeting held 30 October 2020 were agreed as a correct record and would be signed by the Chair.

4 Declarations of Interest

Councillors R Bell and M Wilkes both declared an interest in Item 6 – Housing Update, relating to selective licensing, as private landlords.

5 Items from Co-opted Members or Interested Parties

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

6 Housing Update

The Chair welcomed Officers from Spatial Policy and Housing Solutions who were in attendance to provide the Committee with an update in relation to the Housing and Homelessness Strategies; rough sleeping in the county and the response to COVID; work undertaken with the private housing sector, working in partnership with Registered Providers; and progress of the Selective Licensing scheme (for copy see file of minutes).

The Policy Team Leader, Spatial Policy, Graeme Smith thanked the Chair and Committee for the opportunity to update Members and noted the elements to be covered were: the Housing Strategy; a Homelessness Overview and Response to COVID-19; Rough Sleeping and Response to COVID-19; the Private Rented Sector (PRS); and Selective Licensing.

The Policy Team Leader reminded Members that the Housing Strategy had been adopted by Cabinet July 2019 and had been developed to consider housing issues across County Durham, providing a framework to inform the actions and investment of the Council and its partners. He added it had been developed to ensure the Council was well positioned to maximise future opportunities for funding support.

The Committee learned that the Housing Strategy sought to put people first and that the Council would continue to focus on raising standards in the PRS. The Policy Team Leader added that the Housing Strategy would deliver homes for our communities, and specifically planned to meet the needs of our older people and to support people to live independently for as long as possible. He noted that the Council would work within those communities most affected by long-term empty properties and that the delivery of affordable housing would be maximised.

The Housing Manager, Housing Solutions, Marie Smith reminded Members of the aims of the Homelessness and Rough Sleeping Strategy, with the Council having been very successful in the prevention of homelessness through early intervention.

She explained as regards the increase in supply of accommodation for those who were homeless or at risk of becoming homeless, adding more provision for those with complex needs would be welcomed. She noted that there was a wide range of support services in place to reduce the risk of households becoming homeless. It was noted rough sleepers would be covered in more detail later in the presentation.

The Housing Manager, M Smith explained the duty for organisations to refer to the Council's Housing Solutions section in respect of homelessness and the Hospital Discharge Protocol. She added that work was ongoing with housing providers and private landlords to increase the supply of accommodation. She explained the work being undertaken by the service in relation to understanding support needs, including working with Public Health in terms of mental health needs. Members noted that the service offer for clients in financial difficulty had been reviewed, especially in the context of COVID-19. She explained that a team to address rough sleeping had also been established.

The Housing Manager, M Smith referred to a slide setting out the headline statistics relating to the Housing Solutions service, with: 13,118 contacts to the service; 2,046 properties improved, adapted or brought back into use; 212 empty properties brought back into use; 541 households helped to stay at home; and 993 households helped to find alternative accommodation.

The Committee were reminded of the Homelessness Reduction Act and were given details of the homelessness statistics noting 7,511 presentations as homeless, threatened with homelessness or in need of housing advice in 2019/20. Members noted the main client group that required advice in Durham was single people. The Housing Manager, M Smith reiterated that the service offer for clients in financial difficulty had been reviewed and the impact of the lifting of the eviction ban (March 2021), would be an issue to look at, working closely with corporate colleagues and partners. Members were referred to additional statistics, including information highlighting County Durham as sixth best in terms of prevention in England, and seventeenth in terms of relief. It was explained that in terms of homelessness duty there had been a total of 105 main duty decisions in 2019/20, a 48 percent increase from previous year. It was added that more accommodation options, to be able to prevent or relieve at an earlier point, would be explored.

The Housing Manager, M Smith explained that in terms of the headline statistics for 2020/21 the Housing Solutions service had 3,548 presentations, homeless, threatened with homelessness or in need of housing advice, between April and September 2020. She added that the top three reasons for homelessness had been: end of private rented tenancy, assured shorthold tenancy (899); family no longer willing to accommodate (840); and relationship with partner ended, non-violent breakdown (378). It was noted that the majority were single person households, that 582 people had been threatened with homelessness within 56 days and that there had been 840 people homeless.

In terms of current figures, and the impact of COVID-19 and potential lifting of the eviction ban, it was noted there had been a seven percent decrease year-on-year and that the main reasons for homelessness remained the same, albeit the order had changed, with the main reason now being the end of a private rented tenancy.

The Housing Manager, M Smith reiterated that there had not been an increase in presentations during COVID-19 and explained that the pandemic had required new ways of working and prioritisation of case work. She noted the concerns as regards bed blocking due to the Government's "Everyone In" policy and the eviction ban. She added that joint working with housing providers during lockdown had helped to facilitate fast-tracked moves. The Committee were informed that a "Ready to Rent" approach around private sector accommodation had been developed to streamline offers and that rapid property matching took place for priority cohorts, for example those being released from prison and those in refuges. Members learned of work carried out in respect of food parcels and emergency furniture provision. The Housing Manager, M Smith noted that caseloads remained high due to the ongoing impact of the eviction ban and lack of available accommodation.

Councillors were asked to note that internal and external partnership arrangements, including an internal Housing Board that met regularly, including representation from Regeneration and Development, Spatial Policy and Housing Solutions. It was noted there were also structures in place working with Registered Providers (RPs) with a Housing Forum, chaired by the Council's Corporate Director of Regeneration, Economy and Growth, which was attended by the Chief Executives of the RPs. The Housing Manager, M Smith explained as regards a Development Group, regular individual housing provider meetings and the various task and finish groups that looked at issues including: poverty; Durham Key Options (DKO); Safeguarding; and Health and Housing/Specialist Accommodation.

The Chair thanked the Officers and asked if Members had any questions on the presentation.

Councillor D Boyes, Chair of the Safer and Stronger Communities Overview and Scrutiny Committee referred to rough sleepers, noting some were former prisoners, and of the work in bringing empty properties brought back into use. He asked if there were issues in terms of concentrating a number of people with complex needs into only a few areas in the county and that then impacting upon communities.

Councillor M Wilkes thanked the Officers for their report and hard work. He noted that two years ago, Members agreed to double the number of staff managing empty homes from three to six. He added that in December 2019 the management post within the department was deleted and by May/June 2020 the three extra staff employed had been laid off. Councillor M Wilkes noted that the three extra staff were employed following a motion he had put to full Council, which had been fully supported by every Councillor who had been present at that meeting.

He noted the figures within the presentation, 212 homes brought back into use, showed the excellent work the department with those extra staff, hitting the target that had been set, therefore paying for themselves. Councillor M Wilkes reiterated that the management post had been deleted and half the staff had been laid off.

He explained that Councillors had not been given any update in that regard or a report on the work that was being carried out. He added that he believed that Scrutiny should ask Cabinet to reinstate the posts, noting the number of empty homes being brought back into use was starting to fall. He explained there were around 6,000 empty properties within the county and the Council, instead of investing in that area, had cut the number of staff in half. Councillor M Wilkes noted he felt it was not fair on the department or the remaining staff and reiterated that he felt Scrutiny should be asking for the posts to be reinstated as those Officers had been doing an excellent job.

The Housing Manager, Marion Rucker noted, in reference to the question from Councillor D Boyes, that she managed the Rough Sleeper Team and that in general there were people located all across the county and that people were located in areas they would settle into, feel safe and explained that the service would wrap support around those people. She added that support included: Tenancy Sustainment Officers, a Substance Misuse Worker; and a host of multi-agency meetings for complex clients, meeting weekly or fortnightly. She explained that those meetings involved all relevant partners and would have a plan, reactive to the needs of the individual. The Housing Manager, M Rucker added that if an individual was not settling within an area, or was unable to maintain a tenancy, then a planned move would be looked at to either supported accommodation or a different area.

The Housing Manager, Alan Hunter noted he would cover issues in relation to empty homes within his section of the presentation.

Councillor R Bell noted a case within his area, an individual with complex needs who was facing eviction from social housing. He noted the presentation set out the figure in terms of the immediate causes of homelessness, however, it had not set out why evicted from a private tenancy, for example a landlord wishing to sell a property or a parent no longer willing to accommodate. He added he asked for the reasons why, as it could follow that if an individual was evicted from one form of housing, for example for anti-social behaviour, they could be evicted from further properties if that behaviour continued.

Councillor J Atkinson asked as regards Selective Licensing and landlords, that may consider themselves good landlords with good properties, who have had their properties included within a selective licensing area. He noted some had felt they had been unfairly placed in with bad landlords. He added that he was concerned that the selective licensing fee would be passed to the tenants within their rent and therefore he had concerns in terms of increasing rent on properties that should be at affordable levels.

The Housing Manager, M Smith noted in response to Councillor R Bell that while the high level figures were within the presentation, more details were gathered when an individual engaged with the Housing Solutions service.

She explained that, in line with the Homelessness Reduction Act, Housing Officers would produce a personalised housing plan with the client and would look at the factors behind why that individual became homeless. She noted ongoing work relating to collating information in terms of better understanding the support needs of clients, why they were evicted, and what could be done in terms of the prevention agenda. She added once the information was collated, work with partners such as Public Health, would help in terms of those support needs identified.

The Housing Team Leader, John Kelly noted he would cover issues in relation to selective licensing within his section of the presentation.

Councillor E Adam noted reference to an annual report and asked when it would be produced and would it be presented to Overview and Scrutiny. He also asked as regards how the Housing Strategy dealt with the issue of homelessness, specifically that of single people, and whether there was sufficient housing stock to accommodate those single people. He noted the report referred to a focus on older people and added he felt that perhaps there should also be a focus on single people.

Councillor T Tucker asked as regards when families became homeless and had children of school age, attending local schools, did the Council try to house the family locally so that their children could remain at the same school to ensure some stability remained in their family life. Councillor T Tucker also asked as regards the selective licensing fee, she recalled a figure of £300 quoted, with the Committee report stating £500.

The Policy Team Leader noted that the intention was to publish the annual reports relating to the Housing Strategy and Homelessness Strategy early next year, adding that it was also intended to capture the Council's response to COVID-19 in those areas within those reports. He added that the reports would be available for Overview and Scrutiny, noting a usual annual housing update to Committee, and the reports and findings would form part of that regular update to Members. In terms of the question relating to the focus on older people and the needs of single people, the Policy Team Leader noted that the Housing Strategy, from a strategic perspective, did identify a priority for older persons housing based upon the demographic profile and the understanding of needs. He added that the Housing Strategy looked to identify the needs of all the residents within the county and that delivering older persons' homes would not preclude delivery of accommodation for other groups, including single people.

The Housing Manager, M Smith noted that the needs of single people had been recognised and that there was a need to increase the numbers in terms of accommodation suitable for single people, in particular those that had become homeless.

She added that a housing market position statement had been produced and that certain client groups would be prioritised, including single homeless people. She noted ongoing proactive conversations with housing providers in terms of understanding needs, whether in terms of more bed spaces in supported accommodation or more properties with tenancy support.

Councillor B Avery noted a figure of around 6,000 had been mentioned in relation to the number of empty properties within the county. He noted issues within his local area, with around 200 empty properties within the Dene Bank area. He noted recent improvements in terms of the Council working with Benicia Homes, including demolition of 50 properties and landscaping, and improvements to properties such as cladding. He noted that many of the properties had stood empty for around 20 years and added that there appeared to be no programme to encourage private landlords to bring their properties up to a certain standard, feeling the properties would be suitable for single people. He asked as regards any progress, noting that empty properties were a problem across the county, with issues in the east of the county including fly-tipping and arson.

The Housing Manager, A Hunter noted that in terms of the former mining properties standing empty, there was a lack of demand for those types of property. He added that two-bed properties would attract the spare room subsidy and added there were a number of socio-economic impacts that led to empty properties.

The Housing Manager, M Smith noted in reference to the question from Councillor T Tucker that Housing Officers would assess a family's situation when a property was being offered, with schooling being a factor taken into account. She added that she would ask for additional information from the relevant Officer and that could be circulated to Members.

The Chair thanked Members for their questions and asked the Officers to continue with the presentation.

The Housing Manager, M Rucker explained as regard rough sleepers, with the Council having received £550,303.75 from the Rough Sleeper Initiative (RSI) to fund rough sleeper work including: outreach; substance misuse; Tenancy Sustainment Officers; a Prison Accommodation Officer; and the "somewhere safe to stay" unit, a six bed spaces to accommodate rough sleepers. She explained that was for 2020/21 and that the bidding round for RSI Year Four would open shortly and the Council was working with the Ministry for Housing, Communities and Local Government (MHCLG) to help prepare the bid.

The Housing Manager, M Rucker reminded Members of the Government's (MHCLG) announcement of "Everybody In" on 27 March 2020, in a bid to house all rough sleepers. She noted the Council's Team had helped 97 rough sleepers March to November 2020, an increase from the previous year, and now the work was carried out in-house, having previously been outsourced.

She explained that COVID-19 restrictions had meant “sofa-surfing” was prohibited and that had impacted upon the figures. She noted a number of people living within woodland were often hidden from figures, however, had been reported or self-reported in light of COVID-19. The Housing Manager, M Rucker noted the hard work of staff and private landlords and RPs to house 50 rough sleepers in long-term accommodation, with tenancy sustainment support in place. She noted 25 were in temporary accommodation and 15 were in supported accommodation, the Team keeping in touch with those in supported accommodation. She explained seven individuals had decided to return to the streets or sofa-surfing, and support was offered to those people. She referred to prevention, relief and main duties and noted that often rough sleepers in County Durham had already been through that process and therefore may have had duties discharged, however, the Team would still look to offer support.

The Housing Manager, M Rucker noted in terms of future housing for rough sleepers, the Government had announced the Next Steps Accommodation Funding (NSAP) and the Council had been successful with a NSAP funding bid, £852,130.00. She noted the funding would be used in terms of supporting: shortfall in Housing Benefit; tenancy deposits; a nine bed unit supporting those with complex needs; and five, one bed flats specifically for rough sleepers, together with a Complex Worker to support the project. Members were informed that the five, one bed flats would be set up on the “Housing First” principles, ensuring a sustainable tenancy and then wrapping round additional support as needed, and it was hoped they would be ready in May/June 2021. The Housing Manager, M Rucker noted NSAP would change to RSAP (Rough Sleepers Accommodation Programme) for future bids and those bids would be to refurbish existing Council owned housing stock to bring into use for rough sleepers.

In respect of the winter night shelter in Durham, the Housing Manager, M Rucker noted it had helped over the last three years in terms of severe weather emergency protocol (SWEPE) provision, with North East Mission operating the shelter. She added that the shelter would open again this winter, albeit with individual sleeping pods and with additional protocols including: various COVID-19 risk assessments; Local Authority referral only; and a limit of six beds, previously having been 20.

The Housing Manager, M Rucker explained in terms of Tenancy Sustainment Officers, the two Officers had helped support over 90 clients that had rough slept, against a target of 80, and of the cohort of entrenched rough sleepers, one client had sustained a tenancy for 12 months and 12 clients had sustained tenancies for six months. She noted that if such a tenancy was not working, then the Team would work with clients in terms of a surrendered tenancy and planning move, rather than a tenancy failing and leading to eviction.

The Chair thanked the Housing Manager, M Rucker and asked if Members had any questions on the presentation.

Councillor E Scott asked as regards the level of take up in relation to “somewhere safe to stay”, noting that some rough sleepers were reluctant to use such provision and also asked, if the programme was successful, how sustainable was it in the longer term.

Councillor T Tucker noted the winter shelter provision having been reduced from 20 to six as a result of COVID-19 and asked as regards how the Local Authority referral process would work and how oversubscription would be dealt with.

The Housing Manager, M Rucker noted the “somewhere safe to stay” statistics showed that there had been 131 referrals from 1 April to date into that service and with only six bed spaces it was heavily oversubscribed. She added that how the provision would be offered in the future was being looked at, including within the RSI Year Four bid. She noted that the provision would need to go out to procurement and issues such as having provision dispersed across the county rather than in one centre would be looked at through that process. In terms of sustainability, it was noted that the offer was a short-term measure, usually around one week, while other provision was being arranged. She noted this had been the intention of Government when setting up “somewhere safe to stay”.

In response to Councillor T Tucker, the Housing Manager, M Rucker explained that as the Council would know the dates that the night shelter would open, the Council could filter who would be better being placed in supported accommodation, other forms of temporary accommodation or the night shelter. She added that the referral had to be via the Local Authority as it was required to carry out a risk assessment due to COVID-19 based upon individuals’ health measures, and therefore the Team had worked with Public Health in terms of a health questionnaire. She noted the example of Police attending the night shelter with a rough sleeper at 2.00am, the centre would speak to Council out-of-hours staff to go through the procedure, if space was available at the shelter.

Councillor E Adam noted the NSAP bid and award of around £850,000 and asked how long the funding would sustain any shortfalls in housing benefit and tenancy deposits. The Housing Manager, M Rucker noted each of those areas received a certain amount of specific funding, with the shortfall in housing benefit being complex in terms of predicting how many people would be in temporary accommodation up to 31 March 2021 and therefore what the shortfall would be. She explained that Government had noted if there was a requirement beyond 31 March then Government would provide an additional funding pot or another solution. In terms of tenancy deposits, she noted that funding also had to be spent by 31 March and it had been decided to have 20 deposits at three months’ rent in advance to hold a property. She noted that quite often the client group had complex needs and therefore a higher deposit was often required by landlords.

Councillor D Boyes asked as regards how it was known if those being offered support were from the county and not from other areas, an example being former prisoners. The Housing Manager, M Rucker noted the prison would have a duty to refer and that prisoners should go back to their home Local Authority, adding that a person had to live within an area for six months before a duty was owed by a Local Authority. She noted some rough sleepers were from other areas, however, some rough sleepers from Durham were rough sleeping in Newcastle and Sunderland, and work was undertaken to bring those people back to the county. She noted she was Chair of the regional Rough Sleeper Steering Group and explained there were protocols within the group in terms of reconnecting rough sleepers to their Local Authority area. She added that if someone was temporarily housed in the area then a Section 208 Notification would be received, and the Council would then look to have any temporarily housed person relocated to their Local Authority area.

The Chair thanked Members for their questions and asked the Officer to continue with the presentation.

The Housing Manager, M Rucker explained as regards the work of Housing Solutions in terms of the PRS, focused on improving standards in private rented stock. It was noted the areas across the county were now aligned with those operated by Empty Homes Officers, to assist with targeted work such as the Community Action Team (CAT). Members noted a focus on knowing tenure, landlords, being a physical presence and also a refresh of housing health and safety rating system (HHSRS) training and to ensure standards and processes linked with Environmental Health.

Members were informed of “Ready to Let” to address issues of securing accommodation during the first COVID-19 lockdown. Councillors were asked to note the work of the Council with private landlords and lettings agents, within guidance. It was noted that pre-inspected properties were then used to create a Ready to Let list and Officers worked with the Homelessness Team and supported providers to allocate properties and that Ready to Let would continue as a direct let list.

The Housing Manager, M Rucker noted the “Stop b4u Serve” support scheme, launched in August 2020 to help support landlords with evictions embargos under COVID-19. It was explained that the early intervention scheme would look to mediate, assist with financial support, and remind in relation to tenancy conditions. It would request that the landlord holds notice for 28 days whilst the Council contacted the tenant and for referrals to other services and organisations, such as the Citizens’ Advice Bureau, as necessary.

The Housing Manager, A Hunter noted that the Council's Empty Homes Team worked to: bring empty properties back into use; investigate and respond to complaints; identify owners of empty properties; provide financial assistance, such as move in grants and interest free loans; advise, negotiate with and support owners; and, as a last resort, use enforcement powers.

He explained as regards key achievements and performance, including achieving annual targets since 2016, with 831 properties brought back into use from 2016 up to the end of quarter two 2020/21. Members noted in 2019/20, 212 properties were brought back into use and 99 properties were brought back into use at the end of quarter two, 2020/21, against an annual target of 200. Councillors noted in terms of financial assistance, five empty homes loans and four move-in grants were provided at the end of quarter two, 2020/21. It was explained that the first enforced sale of a property took place and the Team assisted in the recovery of council tax debt through partnership work with the Council Tax Team. The Committee noted successful interventions with several problematic empty homes had been undertaken.

The Housing Manager, A Hunter referred Members to a table setting out the five year performance of the Empty Homes Team and noted recent changes. He referred to three members of staff on temporary contracts with additional funding, with two of those contracts coming to an end on 31 March 2020. He noted one Officer remained in post, funding having been sourced and that they continued to work within the Empty Homes Team. He added that in terms of performance, there had not been too much of an impact in terms of the number of empty properties being brought back into use. Members noted several changes brought in to mitigate against the loss of the two Officers, including changes to the areas the Officers covered: East, Central, South and North. It was explained the change allowed Officers to gain a better understanding and local knowledge of the area, spending less time travelling between properties and localities. Councillors noted the existing manager for the Empty Homes and Private Landlord Officers left the Authority in January 2020 and there had been a split in the job role between Private Landlord Officers and Empty Homes Officers, those now separate job roles with the Private Landlord Officers managed by the Housing Manager, M Rucker and the Empty Homes Officers managed by the Housing Manager, A Hunter. It was added that the new job role would enable a more focused approach to dealing with empty properties, both short term and long term.

Councillor R Crute left the meeting at 11.00am

The Housing Manager, A Hunter noted that a number of schemes were undertaken that also helped to bring empty homes back into use, however, they were not included in the performance figures previously mentioned. He noted the Local Lettings Agency and also the buy to lease programme, where empty properties were purchased and brought back into use to help house vulnerable individuals.

Members noted three properties had been brought back into use via the buy to lease programme and a further four were in the pipeline. The Committee were referred to a number of slides with photographs highlighting examples of properties that had been brought back into use in areas including Waterhouses, Trimdon Station and Stanley.

The Housing Manager, A Hunter noted another area within the Council was the Housing Regeneration Team, which was responsible for delivering neighbourhood, environmental and housing improvement schemes across the county. He explained that included: the co-ordination of investment in housing regeneration areas from Registered Providers, landlords, government departments, housing developers, and other funding sources; estate regeneration and a master planning role with key partners; facilitation of community / steering groups in key areas; development of bids and acquiring external funding to deliver innovative solutions to housing problems; co-ordination of fuel poverty grants from the energy companies for boiler replacements, insulation measures and external wall insulation; and co-ordination of the Managing Money Better service to help reduce domestic energy bills.

Councillors noted key achievements and performance in terms of housing regeneration included working in partnership with Bernicia Homes, facilitating the continued regeneration of Dean Bank, Ferryhill. Members noted other work included: an enabling bungalow development in Chilton in partnership with Esh and Livin; development of the Horden masterplan, with two rounds of community consultation; consultation on, and purchase of, the former Easington Colliery Junior and Infant School; and delivery of several Group Repair schemes, most recently in Dawdon and Easington Colliery. It was noted that there had been a successful bid for £600,000 via Homes England for the Purchase and Repair Initiative and that Targeted Delivery Plans were being developed to assist with regeneration and delivery of the Housing Strategy.

The Housing Manager, A Hunter noted other achievements included the Heat Hero Award for joint working with Clinical Commissioning Group in the assistance provided to fuel poor households with ill health, 10,200 patients having been contacted. Members noted a North East Council of Year Award for 4th highest uptake nationally of ECO grants and highest number of fuel poor households in North East Region having been assisted in 2019/20. It was noted that the Managing Money Better service had provided advice to 264 households as at end of quarter two 2020/21, saving almost £25,000 for those households and that in 2019/20, 651 households had been assisted, with £116,000 saved for those households. Members learned that 251 properties benefited from an energy efficiency measure at the end of quarter two 2020/21; and the county had the 6th highest uptake of fuel poverty grants nationally, as at end of quarter two 2020/21. Members noted several slides demonstrating the work undertaken in terms of group repairs and improvements made through master planning activity in Stanley.

The Housing Manager, A Hunter noted the final area he would discuss was the Home Improvement Agency (HIA), part of the Council's Housing Solutions section. He explained that the HIA would provide advice, guidance, and practical assistance to vulnerable people to help them remain in their own homes for as long as they wish to do so. He added the types of works could include: ramps, access to and from a property; level access showers; stair lifts, access between levels; through floor lifts, access between levels; internal alterations; extensions, ground floor living; and property improvement.

Members noted key achievements in terms of the HIA included 289 Disabled Facilities Grants (DFGs) completed in quarter 2 (2020/21), against an annual target of 552, and three Home Improvement Loans . Members noted previous years' performance with: 628 DFGs and six Home Improvement Loans in 2019/20; 557 DFGs and 13 Home Improvement Loans in 2018/19; and 579 DFGs and 10 Home Improvement Loans in 2017/18. Councillors were referred to photographs of several case studies in terms of the types of improvement works carried out.

The Housing Manager, A Hunter concluded by noted ongoing work within his area of work included: the Buy to Lease accommodation project; Horden masterplan; purchase and demolition of the former Easington Colliery Junior and Infant School; Targeted Delivery Plans, to be considered at Cabinet in February 2021; Chilton regeneration; Dean Bank regeneration; facilitation of steering groups; empty homes work; HIA ongoing assistance, advice and DFGs; delivery and monitoring of the countywide Warm Homes Campaign; co-ordination of fuel poverty grants from the energy companies for boiler re-placements and insulation measures; and the co-ordination of Managing Money Better service to help reduce domestic energy bills.

The Chair thanked the Housing Manager, A Hunter and asked Members for their questions.

Councillor R Bell noted the issues of fuel poverty and energy efficiency and explained that, following a complaint from a resident as regards the Green Deal and accessing contractors he had learned of Government consultation on energy efficiency, ending in 2020. He added he had spoken to the Corporate Director of Regeneration, Economy and Growth as regards the Government consultation which related to the banning of the letting of properties if the energy efficiency rating was not "C" or above by 2025, with the current requirement being a rating of "E" or above. He noted that in the Dales there were a number of properties that were of solid wall construction and many were not on mains gas supply, which was an issue that would score down their energy efficiency rating. He added that a "D" rating would be the highest obtainable if all other usual measures, such as double glazing and loft insulation were carried out and therefore specialist solid wall insulation and solar panels would need to be installed.

Councillor R Bell noted that for properties over £100,000 in value that may be possible, however, for those less than £100,000 there would be an issue. He noted he had forwarded the link to the consultation to the Overview and Scrutiny Officer. He asked the Housing Manager, A Hunter as regards any information on the energy efficiency of the solid walled and terraced properties that had completed energy efficiency works as part of various regeneration schemes. He continued that there was the potential for a large impact upon the rental sector and homelessness in terms of the cost of these works having to be carried out over the next five years.

Councillor D Boyes thanked the Housing Manager, A Hunter and his Team for their work in the Easington area, a low demand area. He noted the ability to access loans of up to £15,000 to help get empty properties back into use, however, in such low demand areas, property owners may not think they would be able to rent the property even after improvement works were carried out. He noted the properties in the area within Easington he referred to were over 100 years old and explained that a number of years ago, five streets were purchased and demolished at a large cost. He noted there was no longer such money available for large scale demolition and added that therefore such properties were having to be managed the best that they could be. He noted that a comprehensive, wrap around solution was needed in terms of making areas more desirable. He asked what Council would do to assist a property owner, where improvement works to an empty property were completed, with the work funded via loan or their own funds, and they were unable to rent out the property.

The Housing Manager, A Hunter noted, in response to Councillor R Bell, that external wall insulation did make a large difference in terms of energy efficiency, similar to cavity wall insulation. He added that loft insulation and boiler upgrades would all help improve an energy efficiency rating. He noted the point in terms of properties in rural areas more likely to be of solid wall construction and off-gas in terms of fuel and the associated costs to carry out energy efficiency improvements. He added he would gather further information as regards the potential uplift in terms of energy efficiency from such external wall insulation and provide the information for Members.

In reference to the question from Councillor D Boyes, the Housing Manager, A Hunter explained that in many former mining communities there was an oversupply of older, terraced properties and people tended to look for newer properties with a garage and garden. He noted that population decline, and spare room subsidy were also issues and he added he felt selective licensing would make a difference in such areas in terms of the policing of empty homes. He noted from his experience of managing a selective licensing area, that it had helped to improve the area and, while not a panacea, it was a positive step in the right direction in terms of the accountability of landlords and the management of some of the tenants within those communities.

He noted the Council would look to work with those owners that would access the loan available and assist in terms of finding a tenant, reminding Members of DKO and that if a property was within a selective licensing area, the tenants would be vetted.

Councillor M Wilkes noted from the pictures within the presentation relating to empty homes being brought back into use and added that Members could appreciate the impact the empty homes staff could have. He referred to what had been agreed in February 2018, "recent studies have shown that Durham County Council have the largest number of empty properties in the UK by Council area. To address this, our regeneration department will identify three additional staff to work solely on bringing empty homes back into use, with a target of bringing 65 additional properties a year back into use over three years". He noted that the Officers had gone beyond the target, the results being fantastic, however, the posts had been deleted after two years and one of the posts had a six month period with no one in post, adding that during that time the manager of that department had also been lost. Councillor M Wilkes asked why the posts had been deleted a year earlier than as agreed by full Council and noted in respect of targets that had been overachieved, those Officers had been in post until the end of April 2020. Councillor M Wilkes noted it made no sense to him, in the case of posts which were making an excellent impact and were self-funding, and agreed by all Councillors, to remove those posts that were exceeding their targets without informing Members. Councillor M Wilkes asked why the posts were deleted early and what would be done to have them reinstated, noting if full Council passed a motion in respect of an issue and then he would expect Members to be informed of any changes.

Councillor T Tucker noted the issue of fuel poverty and pre-payment meters, adding in some cases the cost of electricity and gas via such meters could be double the cost of paying via Direct Debit. She asked what the Council could do to help, especially in light of COVID-19, as people were spending much more time in their homes. She asked what work the Council was undertaking with providers in terms of encouraging them not to promote pre-payment meters and what support could be given to residents to ensure they do not get into a situation where pre-payment meters were their only option. She noted care leavers were a group that faced particular difficulties, with many, due to the nature of their tenancy, not likely to be accepted to pay via Direct Debit by providers.

The Housing Manager, A Hunter noted in reference to the question from Councillor M Wilkes that the two posts referred to were temporary contracts up to 31 March 2020 and one post had been retained following funding being found. In reference to performance, the Housing Manager, A Hunter noted the Officers left 31 March 2020 and the performance for quarters one and two was 99 empty properties brought back into use, approximately half the target of 200 properties, suggesting that while areas and other issues within the Team had been changed, there had not been a dip in performance.

He added that looking forward, Target Delivery Plans would look to carry out intensive interventions in the areas with the highest numbers of empty homes.

In respect of the question from Councillor T Tucker, the Housing Manager, A Hunter noted that he agreed with her in terms of pre-payment meters being a huge issue, penalising some of the poorer members of society. He noted he was not aware of any specific work undertaken with utility companies in terms of pre-payment meters.

Councillor M Wilkes asked for clarification in terms of the empty homes posts, noting they started in June 2018, with the motion being for a three year period, and at the end of the three year period if they were working in terms of impacting empty homes, then the officer posts were to continue. He reiterated that the question was why the posts had ended after two years instead of three and why the posts ended if they were achieving the target. The Housing Manager, A Hunter noted he began managing the Team from 1 January 2020. The Chair noted Councillor M Wilkes had raised a reasonable point and asked the Overview and Scrutiny Officers to make enquires into the matter. Councillor A Batey, Vice-Chair of the Corporate Overview and Scrutiny Management Board noted that further clarification was needed on the point raised by Councillor M Wilkes and agreed enquires could be made by Overview and Scrutiny Officers.

The Chair thanked Members for their questions and asked the Housing Team Leader to continue with the presentation.

The Housing Team Leader thanked the Chair and noted he would provide Members with an update in respect of Selective Licensing. He noted that consultation on selective licensing had ran from February to August 2020 and Officers from Housing Solutions had attended a meeting of the Committee in March, prior to lockdown, as regards the data being gathered and the proposals that were being brought together. He noted the update would refer to the response to the consultation and the final proposal that went to Cabinet in September.

Members noted 1,187 people responded to the online and paper questionnaire and over 300 e-mails and 50 letters were also received. It was explained that 40 percent of the questionnaires were completed by landlords, 3 percent by letting agents, 20 percent by private tenants and 41 percent by residents that were not private tenants. The Housing Team Leader noted 59 percent of all respondents strongly agreed / agreed that the Council should ensure the PRS was properly managed, with 29 percent of respondents noting they strongly disagreed / disagreed. Councillors were asked to note 45 percent strongly agreed / agreed with the proposed selective licensing proposals and 52 percent strongly disagreed / disagreed. It was noted that only 7 percent of landlords and letting agents strongly agreed / agreed, however, 78 percent of residents strongly agreed / agreed.

The Housing Team Leader explained that 90 percent of landlords said the scheme would have a negative impact on them, 41 percent of tenants said it would have a positive impact, with 32 percent saying negative, mainly due to potential rent increases. He added that 67 percent of residents said the scheme would be positive for them.

The Housing Team Leader noted changes made following consultation included moving from Middle Super Output Area (MSOA) analysis to Lower Super Output Area (LSOA), to be able to drill down in greater detail in all areas across the proposed selective licensing areas. He explained that had reduced the coverage of licensing proposals in County Durham, reflecting the more detailed analysis of the individual areas. Members noted a discount had been added in terms of the licence fee for those accredited by the National Residential Landlords' Association (NRLA), alongside the discount for accreditation by the Council. It was explained there would also be a discount for landlords who have more than one property and that the earlier proposed discount for 'early bird' applications remained in place.

The Housing Team Leader noted that the final proposals for submission were for 104 of 324 LSOAs to be included (32 percent), covering approximately 28,000 properties, or 42 percent of the estimated PRS stock in County Durham. He added there would be four designations, with areas meeting one or more of the three conditions: low demand; anti-social behaviour; and/or deprivation. Members were referred to a map setting out the final proposed selective licensing areas.

The Housing Team Leader referred to the question from Councillor T Tucker and noted that there had not been any proposals for a fee as low as £300, however, a media release earlier in the year referred to a fee of between £390 - £590, and at consultation a fee of £500 was referred to, with those landlords accredited with the Council to have a discounted fee of £390. He noted the final proposals in terms of fee were set out, with the fee starting at £500 and with various discounts for early application, accreditation, and multiple properties.

In reference to the questions from Councillor J Atkinson, the Housing Team Leader noted it had been identified as a risk that landlords could pass the fee on to tenants, however, it was hoped landlords would not and the fee proposed was competitive with other Local Authority fees. He reiterated that good landlords, accredited and applying early would benefit from a discount fee. He noted it was hoped landlords would get back their fee in other ways over the course of the five year period, in terms of multi-agency work to help with problem properties, or work in areas with low demand. Members noted the possibility of paying the fee in instalments was being considered, including in terms of the administration cost for the Council.

The Housing Team Leader noted the next steps in terms of selective licensing would be for submission to the Secretary of State in December 2020, with a decision expected within a few months and with the potential for the scheme to go live in Spring 2021, following a three-month notice period.

In terms of the issue of fairness to landlords in respect of the areas chosen for selective licensing, the Housing Team Leader explained that selective licensing legislation did not allow for individual landlords to be pinpointed and it had to be by area, examples a cluster of streets, by MSOA, by LSOA or by electoral division. He added that selective licensing helped to pull together other tools and linked in, and built upon, the work of housing at the Council.

The Chair thanked the Housing Team Leader and asked Members for their comments and questions.

Councillor T Tucker asked how we would ensure that landlords within a selective licensing area did register.

Councillor M Wilkes noted that often consultation processes were simply “tick-box exercises”, however, as many of the concerns raised had been listed and looked at it was a testament to the Officers involved and the Portfolio Holder. He noted the suggestion of payment by instalment or Direct Debit and asked if, at the end of the five year period if the scheme was to be continued, would landlords be approached for the fee again. He also noted that Direct Debit seemed more sensible than an upfront payment as landlords’ circumstances may change and they may need to sell a property.

The Housing Team Leader noted instalments for payment of the fee was an issue being looked at, with it felt to be of benefit given the stresses of COVID-19 on top of other issues faced by landlords. In reference to landlord participation in the selective licensing scheme, he noted that legislation made it mandatory, subject to Government agreeing the proposals, checks and monitoring would take place building upon the data gathered as part of the consultation exercise. He noted there were also options in terms of taking landlords to court and civil penalties.

Councillor M Wilkes noted the fee could potentially be two months’ rent for some properties within the county and that his understanding was that the fee was based upon the cost of the employees in terms of administrating the scheme. He explained he felt some of the money could be used to regenerate some of the more rundown areas, although he accepted the way in which the scheme had been proposed. He reiterated that the fee could represent up to two months’ rent for a property, and that there was potential, especially if a property was uninhabited, for landlords to decide not to be part of the scheme. Councillor M Wilkes asked Officers where additional funds could come from in term of being able to carry out the regeneration work in areas where such work was required.

Councillor J Atkinson noted that he felt if the scheme was to work, the policing of the scheme would need to be punitive against poor quality landlords to ensure that it was successful. He asked in addition to revoking licenses for poor landlords, would a system to highlight successes, such as a rating for good landlords, help to provide incentives and benefit landlords rather than simply a licence.

The Housing Team Leader noted the comments from Councillor J Atkinson and noted while the consultation period had ended Officers would always welcome comments from Members. He noted in the past there had been a star system with the accreditation scheme and added this could be a consideration. He reiterated that the Council would look to support and help good landlords as much as possible.

The Housing Team Leader noted the issues raised by Councillor M Wilkes in terms of payment of the fee by instalment and he noted that it had been highlighted during the consultation that individual landlord's circumstances would be looked into and the Council would look to work with landlords in respect of payment of the fee. He noted that legislation meant that the selective licensing fee could not be used for regeneration purposes.

The Housing Manager, A Hunter noted that the Council worked with Government agencies, such as Homes England, in terms of schemes within the county. He added that Government, including Homes England did not have funds available for some regeneration activities, such as acquisition and demolition, and noted under a previous Government, there had been a funding stream known as Housing Market Renewal which Local Authorities were able to bid for to tackle issues such as oversupply, empty homes, excess stock to bring supply and demand into alignment. He noted that currently the focus from Government was on net gains in terms of properties, rather than acquisition, demolition, and regeneration. He noted that the Council reviewed funding streams regularly and would always look to bid wherever possible to secure funding to carry out further regeneration activity.

Councillor E Scott left the meeting at 11.53am

Councillor R Bell noted the points raised by Councillors J Atkinson and M Wilkes and noted the comments from the Housing Team Leader that legislation did not permit individual landlords to be targeted. He noted that once landlords were signed up to the scheme, he hoped that the focus would be on the bad landlords, the Council using its discretion in how it would operate the scheme to target problems and issues. He also asked as regards whether the licence was attached to the property or the landlord.

Councillor D Boyes noted that the selective licensing scheme in Easington had been a success eventually, with around only 50 percent of landlords signing up initially. He noted in that process, landlords had been required to send in multiple pieces of information, and some would send them individually, prolonging the process. He noted another issue was that fines issued by Courts at the time were a lot less than the licence fee and he felt that could undermine the scheme and therefore those issues would need to be noted.

The Housing Team Leader noted the comments from Councillor R Bell and explained that resources would be prioritised in terms of poor landlords. In terms of the licence, he noted it was issued to the liable person for a property. He noted the comments from Councillor D Boyes in terms of issues faced by the scheme at Wembley. Councillor D Boyes asked if Courts were on board, in terms of the level of fines. The Housing Team Leader noted that fines were one element, adding that a landlord without a licence for a property could not rent out that property and they would need to put forward another liable person and the Council would look to inspect the property to ensure the property was up to standards. He added there were other options including Rent Orders, and therefore it was not only fines, but the impact upon a landlord and their business that could help encourage landlords to be responsible.

Councillor T Tucker noted the Government was encouraging Local Authorities and developers to build new homes and the Council was investing in working with developers and other organisations to build new homes, including social housing. She asked if there was any scope in terms of raising money for regeneration via those activities as when more new homes were built, older properties within selective licensing areas would become less desirable.

The Housing Team Leader noted that selective licensing fit in with other activities within housing and the wider Council, noting the CAT, Neighbourhood Wardens, and the activities in terms of regeneration. He added those activities may help improve the licensing scheme, as could the work of the Empty Homes Team and other Council services. The Housing Manager, A Hunter noted levels of regeneration funding from Government had declined in comparison to previous levels and Officers were always looking for any available funding. He noted that internally there was the Town and Villages fund which had a significant amount of resources that could, and was, accessed for regeneration. He added that he was not aware of any external funding streams that related to acquisitions and demolitions, though Homes England were looking to influence Government in terms of the housing market, and added that Government housing policy appeared to be focussed on London and South, where the issues with housing and housing stock were different from the North East. Councillor T Tucker noted the issues in terms of external funding and asked, in the case of where the Council was working on investments, whether there were discussions in terms of a portion of any potential profit being used for regeneration activity, given the limitations of external funding. The Housing Manager, A Hunter noted that as he understood there would always be discussions as regards how to fund certain activities, and colleagues from the Council's Finance section would be best placed to speak to Members in that regard.

The Chair thanked the Officers for their excellent, detailed presentation and for all the hard work undertaken by Officers relating to housing activities.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes a further update on the development of the Council's Housing and Homelessness Strategies, delivery of regeneration and empty homes projects, work undertaken with Registered Providers and the operation of the Selective Licensing scheme in its 2021/22 work programme.

7 Minutes from the meeting of the County Durham Economic Partnership

The minutes of the meeting of the County Durham Economic Partnership held 17 July 2020 were received by the Committee for information.

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**Economy and Enterprise Overview and
Scrutiny Committee**

23 February 2021

**Impact of COVID-19 on the
Regeneration, Economy and Growth
Service Grouping**



**Report of Amy Harhoff, Corporate Director of Regeneration,
Economy and Growth**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The report provides members with an update on the impact of COVID-19 on key areas of the Regeneration, Economy and Growth Service Grouping prior to a presentation by Amy Harhoff, Corporate Director of Regeneration, Economy and Growth.

Executive summary

- 2 Members will recall that at the meeting of the committee held on the 30 October 2020 a report and presentation from the Corporate Director of Regeneration, Economy and Growth was considered detailing the impact of COVID-19 on key areas of the REG Service Grouping.
- 3 Members also considered at the meeting their future work programme and it was agreed that the Corporate Director of Regeneration, Economy and Growth should be invited to provide a further update at the next meeting of the committee.
- 4 Arrangements have been made for the Corporate Director of Regeneration, Economy and Growth to attend the meeting on the 23 February 2021 to deliver a presentation focusing on:
 - The impact of COVID-19 on the services within the Regeneration, Economy and Growth Directorate
 - The emerging economic impact of COVID-19 on the County's economy

A copy of the presentation is attached as Appendix 2.

Recommendations

- 5 That the Economy and Enterprise OSC consider and comment on the information provided in the report and presentation provided at the meeting.

Background

- 6 The Regeneration, Economy and Growth Directorate comprises the following services:
 - Transport and Contract Services
 - Culture Sport and Tourism
 - Development and Housing
 - Corporate Property and Land
 - Business Durham
 - Corporate Communications and Marketing
- 7 The Directorate leads the council's strategic approach to creating more, better paid jobs and is responsible for delivering major regeneration and investment projects such as developments at INTEGRA 61 at Bowburn, Jade Business Park adjacent to Dalton Park, the Forrest Park development at Newton Aycliffe, NETPark at Sedgefield, Milburngate in Durham City, the Aykley Heads strategic employment site, and the Towns and Villages regeneration programme.
- 8 The Directorate also leads the Council's strategic role in relation to housing, transport, asset management and planning matters in the county, as well as providing key services for communities including essential travel services and public transport access, leisure centres and libraries, and supporting our cultural and tourism sectors, and businesses in the wider economy. In November 2020, the Council's Corporate Communications and Marketing Service was brought into the Directorate.

Impact of COVID-19 on REG Service Group

- 9 Since the start of the COVID-19 pandemic in March 2020, the Regeneration, Economy and Growth Directorate has been at the forefront of the response to the crisis, delivering direct support to businesses and individuals in the County that have been affected, assessing the ongoing economic impact, communicating messages to

residents, and leading the Council's work on developing resilience and recovery plans.

- 10 A summary of the impact on the individual services within the directorate is as follows:

Transport and Contract Services

- 11 Despite the current lockdown, traffic levels across the County remain relatively high at 80 % of normal, outside of the peak hours. The biggest change however has been in commuter traffic with only 65 % of the usual traffic on our roads and an absence of the usual congestion.
- 12 Public transport levels are reduced further with passenger numbers at around 30% of normal. In line with recent government advice the number of buses running has also been reduced to around 80%, however we continue to offer a good level of connectivity for those that need to travel.
- 13 Home to school travel has previously required significant attention and previously additional services had been introduced to allow greater segregation. Once schools begin to return in line with government advice, the appropriate travel arrangements will be reintroduced.
- 14 Footfall in our town centres remains significantly reduced. By contrast we have seen increased numbers of visitors to recreational areas, parks, coastal areas etc during periods of milder weather. This has led to some public concern regarding social distancing and parking issues in some areas. Additional signs have been deployed together with parking enforcement were appropriate.

Culture, Sport and Tourism

- 15 Since the last update in October 2020, leisure centres have had to manage two further lockdowns in which centres have been closed. In lockdown 2 a total of 356 staff were placed on furlough and in lockdown 3 a total of 420 staff have been furloughed. Many of the additional numbers in lockdown 3 are furloughed part time and are either fulfilling part of their role or supporting other parts of the Council's COVID work, with staff being redeployed in areas such as the Community Hub, Refuse & Recycling, and Children's Services, as well as being trained to support schools and the wider community in rapid testing.
- 16 In addition, the period in between lockdowns 2 & 3 placed the County into tier 3 and this brought a change in the restrictions that needed to be adhered to. Whilst gym and swim customers returned, there were added restrictions for club use, which was restricted to under 18's and disabled groups, and we could not provide any group exercise classes within our

centres. Due to the restrictions on exercise classes, and their popularity, the team have recently focused on providing a virtual offer via the Mywellness app. This is currently free to use and we have 1,097 currently using the app for physical activity challenges within the home and outdoors. There are plans to further develop the offer which will potentially lead to a far greater offer on a 'pay to use' basis.

- 17 Surveys of centre users during lockdown 2 show that over 72% would return immediately with only 3.29% responding that they will never return. 71% of our users are less active now than prior to lockdown 1 and there will be a need to develop new programmes to assist the return to more active lifestyles. National surveys also indicate that there is a potential for an additional 35% of the population to be interested in gym memberships post-Covid.
- 18 A survey of the parents and guardians of the 4,978 children on the learn to swim programme, identified that 90% would return immediately to the programme. New learn to swim programmes have been developed which allow social distancing restrictions to be met. However, the restrictions do affect the numbers that can be accommodated on the revised programmes.
- 19 The Wellbeing programme involves a community focused exercise class, waking, running, and cycling programme to support inactive people and those with health conditions. This programme ceased in the March 2020 lockdown and, due to the continued restrictions around space and group activities, it has not restarted during the various tier arrangements. The Wellbeing team, commissioned by Public Health, has provided additional support in the Community Covid Hub and this team will remain there until February 2021. Planning will then take place to recommence with a Covid recovery programme to support targeted communities back into introductory safe exercise once restrictions allow.
- 20 The physical Festivals and Events Programme for 2020 was cancelled resulting in a significant impact on income, however a considerable online programme of events was established at short notice for Brass and Durham Book Festival (which was delivered entirely online). Although both will look to resume physical delivery in 2021, within Covid guidance, the digital element in 2020 has provided great benefits in reaching new audiences, reducing barriers to engagement and programming of new content. Digital will therefore remain a part of future delivery and planning.
- 21 Festival planning for 2021 is underway with early events still vulnerable to cancellation or rescheduling, including the food festivals. Brass, Lumiere and Durham Book Festival are all planning delivery building in

Covid secure arrangements. This will mean inevitable operational and programme changes; however, we anticipate all will have physical events in 2021.

- 22 Cultural venues remain closed and the service continues to suffer substantial income losses (approx. £200k (pro rata) per month). Confidence within the sector remains low and bookings minimal. Until there is confidence regarding the end of social distancing, programmes will remain scarce. Durham Town Hall, Bishop Auckland Town Hall and Killhope will look to re-open as soon as guidance allows. Both town halls provided a Covid secure offer during 2020 and Killhope will look to resume as soon as possible
- 23 Following a successful bid to Arts Council England Covid Recovery Fund in October 2020, a wholesale review of programme and operations across our venues is being undertaken with TGR Arts. This work, due to complete in Spring, will help to re-position our offer post Covid and manage any long term implications.
- 24 Digital content continues to be developed and has been offered free of charge to keep some access to services available, with over 8,000 people viewing our online panto content over Christmas. Digital content will be reviewed as part of our ongoing work with TGR Arts.
- 25 Libraries have delivered a constant digital offer since March 2020 and continue to do so. In addition, the doorstep delivery service has been a huge success, providing contact and books to our most vulnerable users. Ebook stock continues to be augmented to meet demand. Library branches have opened wherever possible throughout the pandemic, however there was a noticeable reduction in attendance from November onwards at our 12 pick and collect branches. We will continue to monitor guidance and re-open when safe, however, we anticipate it will take some time to re-build confidence levels within the library users.
- 26 Refurbishment projects across venues continue to progress, within Covid guidelines, but are beginning to see delays on completion as a result of Covid impact on external contractors. This is a combination of their staff being furloughed and increased sickness levels.
- 27 The team are continuing to support the emergency food supply effort; procuring and monitoring stock and responding to partner requests for support.
- 28 External funding opportunities to support service recovery are being explored, and Business Support have been managing leisure membership issues relating to the stopping and starting of membership

direct debits as the County has been moving through the differing tiers and finally into the current lockdown.

Development and Housing

- 29 Within the Development and Housing Service, Housing Solutions worked closely with housing providers and partners during COVID to ensure no one was sleeping rough. There are now a number of rough sleepers in temporary accommodation with complex needs who require move-on accommodation with support. Accommodation offers have been made to 122 rough sleepers. The extension of the eviction ban has meant a lack of properties to assist other applicants with.
- 30 'Stop b4u Serve' has been introduced by the Private Rented Team to provide mediation between landlords and tenancies with the aim of preventing evictions.
- 31 The Employability Durham service has seen significant difficulties delivering its contracted ESF Employment support programmes. During the initial lockdown, Job Centres moved to a light touch arrangement with their clients and ceased all face to face contact. As a result, the main source of referrals ceased and many of the unemployed clients who also work with Job Centres declined support in line with their Job seekers conditionality of underlying health conditions. During the lockdown period, many of the employment advisers volunteered for roles working within the Community Hub to support local residents.
- 32 The Employability Team now continue to support all existing clients wherever possible through online and telephone support with many examples of clients progressing into new roles which have arisen through the pandemic. The ongoing lack of access to community facilities combined with recent introduction of local restrictions still prevents face to face support. An increasing feature of the team's work has been increased collaboration with other employment support programmes and support as part of the Rapid Response Service for redundancies and marketing of Jobs Fuse County Durham, a new service from National Careers Service aimed at supporting people made redundant or at risk of redundancy through COVID.
- 33 For Durham Employment and Skills (DES) delivery of accredited and non- accredited skills training ceased for much of the March-July 2020 period reducing income. Some Employability Durham clients did take up telephone / online 1-2-1 skills taster courses and support sessions (unfunded). External delivery is now re-commencing after Government ruling on Education and Learning activity as DES deliverers part of the Council's Adult Learning Contract under which the Council effectively holds FE College status.

- 34 The Community Economic Development team has seen a shift in its work from project oversight and physical delivery to retail business support as on-site works were halted due to COVID-19 and the Government released support to retail and hospitality businesses. This included £469,000 through the Reopening High Streets Safely Fund, and provided a focus for a multi-service group that was drawn together to oversee town centre operations and co-ordinate reopening plans.
- 35 Four retail support officers and an additional communications resources secured through the funding has resulted in over 700 retail businesses being supported with visits and advice since August 2020, with 286 receiving additional follow up support as officers continue to monitor the main centres and larger neighbourhood retail areas. Support packs for retail businesses providing updated advice and resources are currently being procured. Existing programmes including Towns and Villages and the recently announced Durham Business Recovery Grants will contribute to supporting retail business resilience and access to new markets, and the team is seeing a significant upturn in business support requests, especially from property owners seeking to invest or convert units and new independent retail businesses seeking premises and support.

Corporate Property and Land

- 36 The initial lockdown disruption to the building services teams within Building and Facilities Maintenance has ended, with Repairs and Maintenance and Construction teams now fully engaged assisted by £1.5m of additional works funded via an agreed overspend. There is currently a very healthy construction programme including a number of strategic projects such as Durham Bus Station £7.3m (on site) and Crimdon Dene Visitors Centre £1.3m (on site), Mountsett Crematorium £1.3m (commencing 07/06/21) Aykley Heads Plot C £8.7m (commencing 29/03/21) and The Oaks Primary School £1.4m (commencing 22/02/21).
- 37 The Catering Service continues to be affected by the pandemic with 6 of the 25 staff still furloughed, however, the majority of staff have been found alternative roles.
- 38 Despite most office staff working from home, Facilities Management have been kept busy ensuring work environments remain Covid secure and managing those staff in the workplace. In conjunction with HR and the NHS, the Facilities Management team have set up the County Hall Vaccination Centre which was opened on 19th January 2021. This has been a great success delivering vaccinations to Durham County Council front line care workers.

Business Durham

- 39 Business Durham staff have continued to support businesses with the ongoing impact of COVID-19, responding to business enquiries, delivering direct support to businesses, and gathering intelligence to monitor the impact on businesses in the County, as well as supporting the Council's Business Rates Team with the implementation of the Local Restrictions Grants.
- 40 All of Business Durham's properties have remained open throughout with Covid safe procedures in place. There has been no noticeable impact on occupancy levels or rental income to date, although the situation continues to be monitored closely particularly in the office sector as companies review working practices.
- 41 The COVID Business Support Brochure that was developed to highlight the local and regional business support programmes that are available for County Durham businesses continues to be used to signpost businesses to appropriate support, and the brochure is updated on a monthly basis.
- 42 The Council launched a £5 million Durham Business Recovery Grant scheme in January 2021, to help County Durham businesses to adapt and recover from the Covid-19 pandemic. The aim of the scheme is to provide financial assistance for the implementation of business recovery plans; helping firms that have a credible plan to adapt and recover but require additional financial support to be able to implement it. The key elements of the scheme are as follows:
- Grants are available from £1,000 up to a maximum of £40,000, and will contribute 75% towards eligible recovery plan costs, with the business expected to meet a quarter of the project cost.
 - The grants are available for projects such as adapting business models or premises to attract new customers, digitisation, marketing support, new product development or buying new equipment.
 - The scheme is open to companies across County Durham, in all sectors, from micro-businesses to those employing up to 250 people in the County.
 - Businesses must have been established prior to 11 March to be eligible, and also have a business bank account.

- 43 Business Durham staff, supported by colleagues from the Funding and Programmes Team, are administering the grant scheme. The funding is being allocated in two tranches, in order to hold back part of the funding available to allow businesses time to prepare their recovery plans and to submit their applications when they are ready to progress these. Subject to take-up of the first tranche, the second tranche is likely to be released in mid-March 2021.
- 44 At the time of writing, 256 grant applications had been received requesting over £3.52 million grant. 20 applications totalling just over £122,000 grant have been approved, with a further 13 applications totalling £226,540 grant about to be considered for approval at the weekly Grant Panel. Where businesses are requesting over £10,000 grant, the process requires that applications are reviewed by an external consultant prior to be recommended for approval, and there are currently 17 applications seeking £517,000 grant out for review. 41 applications have been rejected so far, either because they did not meet the key eligibility criteria for the scheme, or because their recovery plans required further development - these businesses have been signposted to support through the Micro-business Recovery Strand that is currently being delivered through the Durham Business Opportunities Programme.
- 45 Further details about the Durham Business Recovery Grant scheme together with the link to the online application form are available on the DCC website: <http://www.durham.gov.uk/businessrecoverygrant>

Corporate Communications and Marketing

- 46 The COVID pandemic has had a significant impact on the Corporate Communications and Marketing Service. All areas of the team have been involved in supporting the Council's activity across all service areas to ensure messaging reaches target audiences through a variety of channels and is timely and easy to understand.
- 47 Workload has increased exponentially, and the team have undertaken the additional demands whilst maintaining all elements of business as usual. Non COVID campaign planning and evaluation has been impacted by the additional workload. Additional stand by arrangements have also been implemented to ensure an agile response to announcements and changes.
- 48 The range of work undertaken has included:
- Responding to numerous regional and national media enquiries on a range of COVID related question to ensure the Council's activity is highlighted and reputation protected. Proactively publicising information to inform the public.

- Supporting public health messaging across a range of COVID related subjects including hands, face, space, COVID testing, vaccination take up, virus transmission, excess deaths, PPE etc.
- Ensuring members and key stakeholders are kept updated on a regular basis
- Providing messaging to staff across the organisation to promote understanding of developments, the impact on their service area, on individual roles and supporting with personal wellbeing.
- Communicating all service changes (including commercial services), often at short notice, following government announcements when entering and exiting lockdown and moving between tiers.
- Adapting tactics focusing more on digital communications with specific target audiences
- Working with LA7 colleagues to deliver a wide reaching public behavioural change campaign and supporting Local Resilience Forums networks in the delivery of compliance messaging and cross organisational issues.
- Communicating to communities affected by localised outbreaks in a range of scenarios including care homes, community transmission, council facilities, businesses, secure accommodation, and prisons
- Supporting schools in the move to online learning, provision of free meals and preparations for the introduction of schools testing.
- Delivering messaging to support the vaccination programme for care homes, council health and social care teams and the public large evacuation centres.
- Providing information to businesses explaining the support available during the pandemic and how to access funding through the pandemic and recovery.
- Assisting departments to deliver and promote to customers the digital services and events on offer, e.g. virtual BRASS festival/Panto/Library

COVID-19 Economic Impact

- 49 The REG Service Grouping has taken the lead in work to assess the economic impact of COVID-19 and in developing resilience and recovery plans, working closely with other key partners through the County Durham Economic Partnership.

- 50 The full economic impact of COVID-19 will not be known until long after the end of the pandemic, and with the current national lockdown in place and a lack of certainty about the roadmap and timing for restrictions to be eased, it continues to be a very challenging time for businesses and employees.
- 51 There is a wide range of information and data on the emerging economic impact, some of which is national, and some is drilled down to regional and local level. Whilst some of the data is timely, much lags by a number of months.
- 52 From the data available we know that :-
- Around 11% of the workforce is currently furloughed (based on latest data available from Government) compared to 30% during the first lockdown, mainly those employed in the retail, hospitality, leisure, and tourism sectors that currently most affected.
 - Due to the furlough scheme being extended to the end of April 2021, the full impact on unemployment is still not yet evident in the data, with employment levels remaining static.
 - The claimant count for young people has risen sharply (by 60%) and is nearer 10%, with areas of higher deprivation and young people being adversely impacted
 - The visitor economy, hospitality sector and cultural sector has been hit the hardest, with businesses now in their third lockdown. Due to the uncertainty over when restrictions will be lifted, confidence levels are extremely low.
 - Other sectors in the economy are faring better, particularly the manufacturing, logistics and digital sectors, with businesses more optimistic about growth opportunities for the second half of 2021, although some businesses are reporting increased costs and supply chain delays as a result of Brexit.
 - It is still anticipated that there could be a significant increase in unemployment and business failures in the coming months although this is not yet showing up in data or HR1 redundancy notices.

Economic Recovery

- 53 Due to the length of the pandemic, work during 2020 focused on the short term, supporting businesses with the immediate crisis response, reacting to developments, and building business resilience. Now that the vaccination programme is underway, there is a need to start

looking ahead to when lockdown restrictions are lifted and it will be possible to move from resilience into recovery. It is important that this is framed within a longer term strategic economic plan for the County's economy. To provide a starting point for this work, a detailed technical analysis of the combined impact of Brexit and COVID on the County's economy has been commissioned, which will be used to inform the development of the recovery plan and longer term economic strategy. A further report on this work will be provided to the Committee in due course.

- 54 In the meantime, the Council continues to work in close partnership with the seven North East Local Authorities to lobby Government for a package of additional support measures for the North East, and to ensure that the regional interventions are relevant for the County Durham Economy, and that the Region's voice is heard at a national level.

Conclusions

- 55 Overview and Scrutiny members will be aware of the continuing impact of COVID-19 on key areas of the Service Grouping and on the economy of the County.
- 56 It is intended that the committee will continue to monitor the impact and progress made in relation to recovery plans with a further progress update report coming to a future meeting of the committee.

Background papers

Other useful documents

- None

Contact: Amy Harhoff

Tel: 03000 267330

Appendix 1: Implications

Legal Implications

Not applicable

Finance

Not applicable

Consultation

Not applicable

Equality and Diversity / Public Sector Equality Duty

Not applicable

Human Rights

Not applicable

Climate Change

Not applicable

Crime and Disorder

Not applicable

Staffing

Not applicable

Accommodation

Not applicable

Risk

Not applicable

Procurement

Not applicable

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Appendix 2

Impact of COVID-19 on Regeneration Economy and Growth Service Grouping

Amy Harhoff
**Corporate Director of Regeneration,
Economy and Growth**

23 February 2021



Impact on Services

- Passenger numbers on public transport at 30% of normal levels and commuter traffic at 65% of usual levels
- Footfall in town centres reduced but increased visitors to recreational areas, parks and coastal areas causing some parking issues
- Leisure centres closed again due to lockdown, with staff redeployed to support Covid work
- Virtual exercise offer being provided and new programmes under development to assist return to more active lifestyles
- Impact on income due to cancellation of 2020 Festivals & Events programme

Impact on Services (contd)

- Cultural venues & libraries remain closed
- Temporary accommodation for rough sleepers & impact of eviction ban
- ‘Stop b4u Serve’ mediation initiative introduced to prevent evictions
- Employment Services still seeing lower levels of referrals from JobCentrePlus
- 4 retail support officers in place & support packs for retail businesses through Reopening High Streets Safely Fund
- Facilities Management set up County Hall Vaccination Centre, working with NHS & HR
- Catering Service staff redeployed to support Covid work



Impact on Services (contd)

- Visit County Durham and Business Durham supporting high volumes of business enquiries
- COVID Business Support Brochure being updated monthly
- £5 million Durham Recovery Grant scheme launched
- Significant additional demands on Corporate Communications & Marketing – e.g. public health Covid messaging, communications to communities affected by localised outbreaks, service changes following government announcements

Economic Impact

- 11% of workforce currently furloughed (compared to 30% during the first lockdown, reduced to 6% before latest lockdown)
- Employment levels have remained static but expectations for significant job losses post support / furlough scheme
- The claimant count is 6.1 % but has risen sharply for young people (by 60%) and is nearer 10 %
- Visitor economy, hospitality sector & cultural sector hardest hit
- Manufacturing, logistics and digital sectors faring better
- Some businesses reporting increased costs & supply chain delays due to Brexit
- Potential for significant increase in unemployment & business failures, but not yet showing up in data or HR1 redundancy notices.



Economic Recovery

- Moving from resilience to recovery
- Combined impact of Brexit and COVID
- Development of longer term strategic economic plan for the County
- Working with 7 North East Local Authorities on regional recovery

Economy and Enterprise Overview and Scrutiny Committee

23 February 2021



Overview and Scrutiny response to the Minerals and Waste Policies and Allocations Development Plan Document and the Parking and Accessibility Supplementary Planning Document Consultations

Report of Paul Darby, Interim Corporate Director of Resources

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The report provides members of the Economy and Enterprise Overview and Scrutiny Committee (E&E OSC) with detail of the consultation arrangements for the Minerals and Waste Policies and Allocations Development Plan Document (M&WDPD) and the Parking and Accessibility Supplementary Planning Document (Parking and Accessibility SPD). Both documents are additional documents in relation to the County Durham Plan (CDP). In addition, the report details the Overview and Scrutiny response to both documents and it is proposed that the response detailed in paragraphs 26-38 of this report is fed into the ongoing consultations which run from the 15 January to the 26 February 2021.

Executive summary

- 2 Members will be aware that on the 21 October 2020 the Council adopted the CDP. The E&E OSC has been involved in the development of the CDP, previously providing a response which fed into the Issues and Options consultation stage of the CDP and has received regular updates on the progress of the plan.
- 3 In addition, the committee has also helped to inform the development of the Housing Strategy and continues to monitor the progress and development of this key strategy.

- 4 It was therefore considered appropriate that Overview and Scrutiny should be given the opportunity to comment on further key additional documents relevant to the CDP including the M&WDPD and the Parking and Accessibility SPD.
- 5 As the E&E OSC has taken the lead in relation to informing and monitoring the CDP, it was felt appropriate that this committee takes the lead in relation to various key additional documents in relation to the CDP. However, due to the nature and content of both of the above additional documents, it was felt appropriate that, members of the Environment and Sustainable Communities Overview and Scrutiny Committee (ESC OSC) were also given the opportunity to provide comments to feed into the ongoing consultation process.
- 6 Therefore, in January both members of the E&E and ESC OSCs received a briefing report together with a copy of the Issues and Options Document relevant to the Parking and Accessibility SPD. Members were asked to provide comments on both documents, with the comments received from members to be formulated into an Overview and Scrutiny response.
- 7 This current consultation stage runs from the 15 January to the 26 February 2021 with the proposed Overview and Scrutiny response included in paragraphs 26-38 of this report. Members are asked to consider the Overview and Scrutiny response to this first stage of consultation. It is proposed that the agreed response will be fed into the ongoing consultations which conclude on the 26 February 2021.
- 8 It is important to note that Overview and Scrutiny will be included in further consultations stages for both documents with detail of the various consultation stages included in paragraphs 39 and 40 of this report.

Recommendations

- 9 That the Economy and Enterprise OSC consider and comment on the information provided in the report and the proposed Overview and Scrutiny response.
- 10 That the Economy and Enterprise OSC agrees the proposed response which will be fed into the ongoing consultation process.
- 11 That members of the Economy and Enterprise and the Environment and Sustainable Communities OSCs are included in future consultation stages in relation to both documents.

Background

- 12 The E&E OSC has previously been involved in the Issues and Options consultation stage of the CDP and has received regular updates on the progress of the plan. In addition, the committee has also helped inform the Housing Strategy and continues to monitor its progress.
- 13 It was therefore considered appropriate that the committee should be given the opportunity to comment and feed into the consultation process in relation to additional key CDP documents.
- 14 The M&WDPD and the Parking and Accessibility SPD are both key additional documents in relation to the plan and are currently out to consultation. It was thought appropriate that members of the E&E OSC be invited to comment on both documents however due to nature and content of both documents' members of the ESC OSC have also been invited to provide comments.
- 15 The comments received from Overview and Scrutiny members have been formulated into a response which will be fed into the ongoing consultation process which concludes on the 26 February 2021. The Overview and Scrutiny response is included in paragraphs 26-38 of this report.
- 16 It is intended that Overview and Scrutiny will be included in further consultations stages for both documents with detail of the various consultation stages included in paragraphs 39 and 40 of this report.

Minerals and Waste Policies and Allocations Development Plan Document (M&WDPD)

- 17 The M&WDPD has been identified in the Council's Local Development scheme for a number of years. The scope of the document will include:
 - specific policies for a number of economically important minerals, not addressed by the strategic minerals policies of the County Durham Plan but where future planning applications for the 'winning and working of minerals' cannot be discounted such as for conventional and unconventional oil and gas, silica sand, clay for engineering purposes and vein minerals, and for major waste management processes and technologies such as for inert landfill/landraise, non-hazardous landfill, the incineration of waste, and also for specialist wastes and hazardous substances;

- detailed minerals and waste development management policies covering, for example matters related to the processing and storage of minerals, the transport of minerals and waste (including road to rail transshipment facilities), borrow pits which are small mineral working proposals directly related to a construction project, the control of mineral working operations including standoff distances from local communities, cumulative impacts, noisy short term activities, quarry blast vibration, quarry and landfill slope stability, the restoration and after-use of mineral and landfill/landraise sites and a policy detailing the benefits of minerals development; and
 - non-strategic minerals and waste allocations which are considered necessary to meet the future needs of County Durham and make an appropriate contribution, where necessary, to wider regional and national needs for mineral supply.
- 18 As agreed at a meeting of Cabinet in December, three stages of consultation are planned over the next two years. Under regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 preparation commences in January 2021 through a notification letter to specific consultees identified by the regulations who will be invited to make representations about what the documents policy matters the document should contain. In addition, a call for sites for non-strategic minerals and waste allocations will also be conducted. An initial draft plan will then be published followed by a regulation 19 consultation on a pre-submission draft plan followed by Submission and an Examination by an independent inspector.
- 19 In order to ensure that the M&WDPD is found sound at examination a number of evidence reports will be published, and assessments undertaken covering relevant matters such as Sustainability Appraisal and Habitat Regulation Assessment, which are both integral to the document's preparation process, and an Equality Impact Assessment. Consultation on the M&WDPD will be undertaken in accordance with the Council's published Statement of Community Involvement.
- 20 Once adopted, the policies and provisions of the M&WDPD will replace twenty-eight remaining saved policies of the County Durham Minerals Local Plan (December 2000) and the County Durham Waste Local Plan (April 2005).

Parking and Accessibility Supplementary Planning Document

- 21 The Council previously set out its parking and accessibility requirements in a guidance document for developers and officers to have regard to in assessing planning applications. During the Examination in Public hearings for the County Durham Plan, the planning inspector recommended that this guidance be reviewed and set out more formally as an SPD to support Policy 21 (Delivering Sustainable Transport) of the Plan. This recommendation was subsequently translated into a Main Modification which the inspector considered was necessary to make the Plan sound.
- 22 In order to comply with the relevant regulations two rounds of consultation are required to prepare an SPD. The first consultation for the Parking and Accessibility SPD is an Issues and Options document which was agreed by Cabinet in December which seeks comments on the Council's planned approach to specific parking and accessibility issues. Following consideration of any responses received a draft SPD will then be prepared for a second round of consultation. The issues set out in the consultation document are summarised below:
- a recognition that restricting parking at origin (residential properties) does not necessarily discourage car ownership and can, in fact, lead to other problems, such as excessive pavement parking;
 - proposing standards to require a 'minimum' amount of parking provision at origin;
 - encouraging sustainable transport by proposing standards for electric vehicle (EV) charge points in new homes and at all destinations to encourage and facilitate use of electric vehicles;
 - proposing that, where garages are not provided, secure parking suitable for a cycle, mobility scooter or motorbike be provided instead;
 - setting parking requirements at trip destinations (retail, employment, leisure and other developments) to encourage the use of sustainable modes of transport;
 - suggesting a definition for an accessible location and proposing reduced parking at these locations to encourage sustainable travel; and
 - proposing standards for cycle parking to be required at all destinations.
- 23 Once adopted the Parking and Accessibility SPD will replace the current County Durham Parking and Accessibility Standards 2019.

Consultation proposals, Member and O&S involvement

- 24 Two online consultation events have been held on the 2 February and on the 10 February for the Parking and Accessibility SPD with the relevant access links circulated to both members of the E&E OSC and the ESC OSC on the 19 January 2021.
- 25 Members could also make comments via the consultation pages at: <https://consult-durhamcc.objective.co.uk/kse> or send comments by e-mail to: spatialpolicy@durham.gov.uk or alternatively, members could send comments to our freepost address: FREEPOST Spatial Policy. .

Overview and Scrutiny Response to the Minerals and Waste Policies and Allocations Development Plan Document (M&WDPD)

- 26 In relation to the Minerals and Waste Policies and Allocations Development Plan Document (M&WDPD), this first consultation stage is very much directed towards specific consultees identified by regulations, providing them with the opportunity to comment on what the policies and document should contain.
- 27 The purpose of the briefing report circulated to members was to make members aware of the consultation and that following this first stage of consultation work will be undertaken by the Service Grouping on an initial draft plan. When the draft plan is produced, Overview and Scrutiny members will be given the opportunity to comment on the plan during the second consultation stage planned for June/July.
- 28 Members have indicated that they feel the second stage of consultation on the draft plan will be the appropriate stage at which they will provide comments and for those comments to form the Overview and Scrutiny response to inform the development of the final M&WDPD.

Overview and Scrutiny Response to the Parking and Accessibility Supplementary Planning Document (Parking and Accessibility SPD)

Destination parking standards

Parking standards for retail, employment, leisure and other destinations

The following issues have been raised by members of the E&E and the ESC OSCs:

- 29 Need to consider parking provision at hospital sites within the County. Regular queues for visitors and limited parking for staff with example given as the parking provision at the University Hospital of North Durham.
- 30 Need to consider the parking allocation at some retail parks for specific businesses as they seem very generous with an example given as large DIY stores.
- 31 Need to reduce congestion at schools during the identified peak times, the beginning and end of the school day.
- 32 Where parking measures operate such as maximum stay or various initiatives such as free parking, there is flexibility for them to be reviewed/changed to ensure turnover.
- 33 Need to be adequate signage particularly in our town centres ensuring the residents and visitors can identify where parking provision is located including cycle parking provision.
- 34 Support for the proposals for safe and secure cycle parking particularly in our town centres and that cycle parking is provided at all destinations (a recognition of the health benefits resulting from cycling and its increased popularity as a result of the pandemic).
- 35 Need to ensure that all DCC buildings have adequate disabled parking provision at least a minimum of 2 bays or 5 % of bays in car parks of 20 spaces or more. However, DCC should aim to exceed these minimum requirements where possible.
- 36 Need to ensure that where possible GP surgeries have at least the minimum disabled parking requirements available and where new surgeries are planned more than the minimum disabled parking requirements should feature in the design proposals.
- 37 Suggestion made that going forward we need to consider how we monitor parking and accessibility provision in the county and that parking and accessibility in relation to retail should feature within the Town Centre Surveys.
- 38 Again, some members responded to say that they will comment later when the draft SPD is available and subject to consultation which is currently proposed for June/July 2021.

Further Proposed Consultation Stages

- 39 At the Cabinet meeting in December a new Local Development Scheme (LDS) which sets out the timetable for the documents referred to in this report and estimated timescales for future documents, was also agreed. The future key milestones for the Minerals and Waste Policies and Allocations DPD are summarised below:

Document	Scoping letter	Consult on draft	Reg19 consultation	EIP	Adoption
Minerals and Waste Policies and Allocations DPD	Jan/Feb 2021	Jun/Jul 2021	Nov/Dec 2021	Jul 2022	May 2023

- 40 The key milestones for the Parking and Accessibility SPDs and a number of other documents linked to the CDP are summarised below

Document	First consultation	Second consultation	Adoption
Parking and Accessibility SPD	Jan/Feb 2021	Jun/Jul 2021	Oct 2021
Developer Contributions SPD (incl. Affordable Housing, Specialist Housing, Open Space, Biodiversity, Education, Health, SuDs)	Summer 2021	Autumn 2021	Winter 2021
Accessible and Adaptable Homes SPD	Summer 2021	Autumn 2021	Winter 2021
Design Principles SPD	Summer 2021	Autumn 2021	Winter 2021
Durham City Sustainable Transport Delivery Plan	Summer 2021		Autumn 2021

Conclusions

- 41 Members of the E&E and the ESC OSCs will be aware of the first consultation stage in relation to both documents and will have had the opportunity to provide comments. The comments made by members have been compiled into the Overview and Scrutiny response detailed in paragraphs 26-38 of this report which will be fed into the ongoing consultations. In addition, members will have had the opportunity to participate in the online consultation events in relation to the Parking and Accessibility SPD.
- 42 Members of both the E&E and the ESC OSCs will have the opportunity to provide comments on the draft documents which are currently scheduled to be out to consultation in June/July 2021. Again, the comments provided by members will form the Overview and Scrutiny response which will be fed into the consultation process.
- 43 Overview and Scrutiny members will have had the opportunity to inform both the M&WDPD and the Parking and Accessibility SPD.

Background papers

Minerals and Waste Policies and Allocations Development Plan Document and the Parking and Accessibility Supplementary Planning Document – Consultations – Briefing report 20 January 2021.

Appendix 1: Implications

Legal Implications

The Town and Country Planning (Local Planning) (England) Regulations 2012 set out how to prepare development plan documents and supplementary planning documents. Before the SPDs and M&WDPD can be adopted, it will be necessary to undertake a public consultation process. Additionally, in the case of the Minerals and Waste Development Plan Document, an examination in public must be held. The legal requirements and timescales are fully detailed within the report.

Finance

As the DPD and SPDs progress there will be some costs for appropriate evidence gathering, consultation, printing and eventually the EIP costs, including the fees for the Inspector now that the EIP is concluded. These costs will be met from the Spatial Policy budget.

Consultation

The programme of consultation has been agreed with the Council's Corporate Communications Team and the Council's Consultation Officers Group and will be undertaken in accordance with the Statement of Community Involvement and the 2012 Local Plan Regulations

Equality and Diversity / Public Sector Equality Duty

The Council acknowledges that, in exercising its functions, it has a legal duty under the Equality Act 2010 to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations. This duty applies to all people defined as having protected characteristics under that legislation.

The Council will carefully consider the likely impacts of the Plan on persons with a protected characteristic at each stage of the process. An Equality Impact Assessment (EQIA) has been prepared in partnership with the community engagement team for the Parking and Accessibility SPD

(Appendix 6). An EQIA will prepared for the Minerals and Waste DPD at the draft stage.

Human Rights

Protocol 1 Article 1: Every natural or legal person is entitled to the peaceful enjoyment of his possessions, including their property. The Minerals and Waste DPD may allocate land for development which will affect landowners' rights to develop their land. It is noted, however, that rights afforded under

this Article are not absolute but qualified. Therefore, any interference with landowner's rights must be balanced against the wider public interest in having an up to date development plan. It is lawful for a local planning authority to take action if that action is clearly necessary and proportionate.

Climate Change

Climate change is a golden thread running through the County Durham Plan. The importance of tackling and adapting to climate change is recognised in the Plan's Vision, Objectives, Sustainable Development Statement, spatial strategy and a number of policies. As the DPD and SPDs sit below and will reflect the policies and strategies of the County Durham Plan they will similarly seek to reflect this approach.

Crime and Disorder

Issues of crime and disorder will be considered in the preparation of the DPD and SPDs as they progress.

Staffing

None.

Accommodation

None.

Risk

None.

Procurement

If required, consultants may need to be commissioned to deliver evidence studies, in accordance with the Council's procurement rules/procedures.

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Economy and Enterprise Overview and Scrutiny Committee

23 February 2021

Towns and Villages Investment Plan Regeneration, Economy and Growth Service Grouping



Report of Amy Harhoff, Corporate Director of Regeneration, Economy and Growth

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 The report provides members with background information on Cabinet's approval of the Towns and Villages Investment Plan on the 10 February 2021 prior to a presentation by Graham Wood, Economic Development Manager.

Executive summary

- 2 As an integrated approach to place-based regeneration, Towns and Villages has identified a conservative estimated investment programme of more than £750 million. A clear program supporting place priorities, such as the re-use of derelict buildings, walking and cycling improvements, public realm and leisure schemes for our towns and villages across our large and diverse county.
- 3 Towns and Villages is a long-standing priority of the Council. In the context of the impact of the economic recession induced by the restrictions required due to the Covid-19 pandemic, our towns and villages face increased challenges. This significant boost to investment across the county will provide vital stimulus to support our towns and villages to revive and recover. By adopting an integrated approach to place-based regeneration, the Towns and Villages Programme ensures stronger outcomes by aligning Council activity and working alongside our Partners.
- 4 The Strategy, as agreed by Cabinet October 2020, was subject to consultation across all 14 AAPs which are open to the public and

geographically cover the full County area, this consultation reflected the approach received overwhelming support.

- 5 As part of agreeing the Strategy, Cabinet also agreed £20 million to support our most disadvantaged communities. The Strategy brings together three key strands: those that are delivered in conjunction with or by our many partners that operate in County Durham; realigning existing budgets and services delivered by the Council; and the Investment Plan details the additional resource of £20 million.
- 6 Following the success of the consultation events with the AAPs, which were held in October and November 2020 and were open to all communities, a further allocation of £5 million was agreed by Cabinet on the 10 February 2021 to ensure that opportunities to improve local areas can be further enhanced. This raises the overall Towns and Villages programme allocation to £25 million. This financial commitment is to accelerate the delivery of County Council priorities through a greater understanding of both the needs and opportunities that exist within our communities. It also provides an opportunity to ensure that residents in every AAP will benefit from this funding by allocating a specific budget for each area to spend against the agreed priorities of the Strategy.
- 7 The Towns and Villages Investment Plan details the projects and priorities that will deliver targeted improvements to our most disadvantaged communities. This partnership approach will be embedded through regular dialogue with our AAPs including the monitoring of projects and the identification of new opportunities.

Recommendations

- 8 That the Economy and Enterprise OSC
 - (a) consider and comment on the information provided in the report and presentation provided at the meeting.
 - (b) That the Economy and Enterprise Overview and Scrutiny Committee receives a further update on the progress of the programme as part of its 2021/22 work programme.

Background

- 9 The current approach to Towns and Villages was agreed by Cabinet on 12 December 2018 and the Strategy was agreed on 14 October 2020. The Strategy acknowledged that significant work has been undertaken to develop and pilot initiatives in line with Towns and Village place priorities. It also aligns the key priorities for investment to the Council's Vision by setting out five agreed themes:

- Strategic Investments;

- Housing and Community;
 - Environment and Health;
 - Built Environment; and
 - Transport and Connectivity.
- 10 The ongoing regeneration of the county's towns has remained a constant element of the Council's work. It is important that we build on the successes achieved through this work to date, including the physical changes already seen in our Towns and Villages and the improved integration of the working arrangements between the range of services that identify, deliver and maintain the improvements made. This integrated approach to regeneration has led to a conservative estimated operational investment programme of more than £750 million covering town centres, employment, transport infrastructure and housing investment schemes across the county.
- 11 As part of the Towns and Villages Strategy £20 million was agreed to ensure additional resource is directed to communities and programmes with identified needs, wherever possible linking with mainstream Council investment and partner expenditure to coordinate and maximise local investment and change. This approach together with using evidence such as through County Durham Together and the Council's Vision helps us understand how our residents interact and live within their environment.

Public Engagement

- 12 Following Cabinet agreement to the Strategy and a financial commitment of £20 million, discussions with our Area Action Partnerships (AAPs) took place to help develop a programme of activity as part of a Towns and Villages Investment Plan.
- 13 A series of virtual meetings were hosted between 20 October and 12 November 2020 by each of the 14 AAPs to gather views on a wide range of issues including Towns and Villages. Attendees were informed of the partnership working and alignment of current activity including that Towns and Villages has already helped identify over £750 million of investment across the county. Consultees were provided with an opportunity to influence how a further financial commitment could address the current challenges and opportunities within their AAP area.
- 14 In total over 1,000 comments were received from people who attended the 14 events. The suggestions made during the event were then included within a summary report and considered by each of the AAP Boards. The AAP Board Members were asked whether the summary covered the key areas of focus for their towns and villages; if not, what

additional priorities / issues need to be considered and taking all of that into account what the three priorities were for their AAP area. The comments put forward were widespread and included:

- a. a need to provide support for retailers and businesses;
 - b. a need to focus on the public realm and general appearance of some town centres and neighbourhood parades;
 - c. opportunities to repurpose and resolve issues of vacant commercial properties;
 - d. a need to tackle private landlords and address empty properties;
 - e. ensure good quality design of our places and spaces;
 - f. meeting the community's housing needs especially bungalows and specialist accommodation;
 - g. the identification of improved opportunities for healthy living;
 - h. improved connectivity through public transport, walking, cycling and broadband connectivity;
 - i. traffic and parking;
 - j. investment in community facilities, as well as a growing concern around litter, fly tipping and other anti-social behaviour.
- 15 All comments received have been considered and achievable priorities which would meet the Towns and Villages Strategy have been identified within the Investment Plan. In light of the alignment between the identified community priorities and the agreed Towns and Villages themes, it was agreed to increase the Towns and Villages budget allocation from £20 million to £25 million. This financial commitment will ensure that local schemes and projects can be delivered and will address the challenges and opportunities that are important across all of our communities.

Investment Plan

- 16 Taking into account the £750 million worth of investment across the county and the wishes of the communities raised during the AAP events, an initial proposal for programme of works is set out within the Investment Plan see link <http://www.durham.gov.uk/townsandvillages>. The Investment Plan demonstrates that there are opportunities for improvements across all of our AAP areas but with a specific emphasis on our most disadvantaged communities in an attempt to provide an equitable approach to regeneration.

- 17 The Council's commitment via Towns and Villages has been the catalyst which has resulted in significant regeneration projects across the county by supporting delivery and maximising outcomes. This has included contributions by acquiring sites and land assembly to deliver strategic investment. Such investments have included the opening of Horden Rail Station which links communities in the east of the county to the local, regional and national network and supports much wider opportunities for more and better jobs and support the commitment to regeneration in Horden. The project delivered £10.55 million of investment following a Council commitment of £3.3 million. Furthermore, as part of our town centre transformation, a £600,000 commitment by the Council has secured a multi-million investment to secure the redevelopment of Festival Walk, Spennymoor which will provide much wider benefits to communities in the area.
- 18 The Investment Plan provides brief details of the projects currently supported through Towns and Villages, the programme allocations and the initial focus for delivery. The Investment Plan will remain under regular review and responsive to challenges and opportunities that arise by providing alignment and additionality with aligned Council and Partner activity.
- 19 The Investment Plan sets out the commitment to date and looks forward to the programme of investment that is coming up. There is activity taking place across all AAP areas but with a specific emphasis on our most disadvantaged communities to ensure an equitable approach to regeneration.
- 20 The Investment Plan builds upon regeneration activity which is already underway across County Durham and can be broadly summarised into the following five identified themes:
 - Strategic Investments Investment which supports digital innovation and environmental and public realm improvements across all of our town centres is being undertaken. The use of technology and smarter ways of working and the importance of attractive neighbourhood centres was identified as being significantly important during the AAP consultation events. In particular, the need to support our businesses and retailers and improve their business resilience as part of economic recovery efforts and help them to respond to the continued changes to retailing. Opportunities for Targeted Business Improvements scheme has been rolled out with great success, meaning that businesses in towns and villages across the county, including our rural communities, can benefit.
 - Housing and Community Engaging with communities during the AAP events, identified the importance of addressing localised issues of

concern particularly those which can help to maintain the social fabric and improve the resilience of local communities. Such projects have included extensions to community buildings to support the delivery or development of services which was particularly important for remote and rural communities. The importance of ensuring that our community housing needs are met as well as tackling blight caused by empty homes and problem landlords was also raised during the AAP events. For example, the Investment Plan identifies the role of the Housing Opportunities Fund and projects to be delivered via Community Housing opportunities. These schemes are in addition to improving the existing housing stock such as through the Green Home Fuel Efficiency Programme in areas around Ferryhill, Chilton, West Cornforth and Bishop Middleham, meaning that properties with a low energy efficiency rating will be improved, Shildon now also has a Community Action Scheme which tackles issues such as empty properties and noise.

- **Built Environment** The need to tackle vulnerable and often vacant buildings was raised by the public during the AAP events. By utilising the economic potential of vulnerable buildings and enabling opportunities for redevelopment and investment can increase community and social value by addressing issues of anti-social behaviour and, by creating an attractive appearance and safe local environment.
- **Environment and Health Challenges** ahead include how the County addresses the Climate Change Emergency and respond to the impacts from the Covid 19 pandemic. Towns and Villages will help support the county's recovery and build long term resilience by focusing on these challenges and ensuring all projects are aligned to them or take them into account when identifying future investment opportunities. Opportunities including the maintenance and improvement of public open spaces, remains a priority for many local communities at the current time, it is anticipated that this theme will need to be responsive to future challenges.
- **Transport and Connectivity** The on-going need to ensure that residents can access jobs, services and facilities by public transport was a key challenge identified during the AAP events. Through our existing arrangements, we will continue to encourage bus operators to provide services where they are needed. Specific opportunities to enhance walking and cycling were also identified through the consultation such as projects including: the Stockton-Darlington railway line; the Weardale Way; Murton to Dalton Park and improvements south of Pesspool Wood to Wingate East Durham Rural Corridor at Trimdon link to Coxhoe. Funding has already been committed separately to help transform the heritage Weardale

Railway, as a major visitor attraction. Forthcoming projects to address issues associated with broadband connectivity, particularly in our rural communities and around social isolation in our elderly communities are also likely to come to fruition in future years.

- 21 The Investment Plan clearly demonstrates that all areas of the county will benefit from Towns and Villages. The allocation of an additional £5 million for AAP area programmes will further ensure that there are significant opportunities for our local communities and partners to focus on their own priorities for regeneration. The allocation provides funding amounting to £300,000 (available across 2021/22 – 2023/24) to each of the 14 AAPs to deliver projects identified within their own communities. Bids for funding will be made through the established AAP funding process.
- 22 Given the scope of the Towns and Villages programme and the established process of local priority setting and resourcing, higher value projects may be developed drawing together existing AAP allocations and the uplifted Towns and Villages funding. Full details of the mechanisms for AAPs to access the Towns and Villages Small Area Improvement fund will be circulated to each of the AAPs to allow schemes for 2021/22 to be identified, developed and delivered.

Next Steps

- 23 In order to ensure that Towns and Villages support projects that are identified in line with the Strategy, governance arrangements have been put in place.
- 24 Public consultation via the AAPs has provided a pipeline of projects to be included within the Investment Plan. It is now essential that the delivery of these projects is secured. In order to ensure that the challenges and opportunities raised by our communities are embedded into future investment decisions made by the Council and its Partners, on-going conversations will be held with our communities to ensure that their views are at the forefront of future Council and partner activity and investment decisions. This partnership approach will be embedded through regular discussions with our AAPs including the monitoring of progress of projects and the identification of new opportunities.

Conclusions

- 25 Overview and Scrutiny members will be aware of the recent Cabinet approval of the Investment Plan. It is intended that the committee will continue to monitor the impact and progress made in relation to implementing Towns and Villages projects with a further progress update report coming to a future meeting of the committee.

Background papers

Town and Villages Cabinet Report (December 2018)

Towns and Villages Cabinet Report (October 2020)

Towns and Villages Investment Plan Cabinet Report (February 2021)

County Durham Housing Strategy (2019)

Council Vision

Contact:	Graham Wood	Tel: 03000 262002
	Michelle Robinson	Tel: 03000 261917

Appendix 1: Implications

Legal Implications

Whilst there are no legal implications for the Investment Plan per se, the projects which take place will involve the exercise of various Council powers. Legal implications for each individual project will be determined and considered as part of each project plan and risk assessment.

Finance

The Towns and Villages Strategy will represent an additional demand on capital directed towards town and village regeneration. The projects as identified seek to maintain the town centre capital programme at its current level while widening work to include support for further regeneration in towns and villages aligned to the themes identified. Following the latest round of AAP engagement, an additional allocation of £5 million is agreed to the Towns and Village programme providing an overall budget of £25 million over the next 3 years that helps to address the inequalities faced by all communities. This additional allocation is possible as a result of ongoing strong financial controls and the prioritisation of resources to meet local needs.

Consultation

Discussions with the AAPs have resulted in more than 1000 comments which have been considered to inform the Investment Plan. Detail of the AAP engagement is detailed within the report. Each AAP will have access to £300,000 across the programme lifetime to deliver projects in line with Town and village programme aims. Individual project consultations for major schemes to be funded through the Town and Village Programme will be undertaken in line with established processes. Monitoring of priorities and projects to reflect funding opportunities and change at community level will be undertaken through regular discussions with each AAP.

Equality and Diversity / Public Sector Equality Duty

The Council acknowledges that, in exercising its functions, it has a legal duty under the Equality Act 2010 to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations. This duty applies to all people defined as having protected characteristics under that legislation. Through the Towns and Villages Strategy, positive improvements to communities and their environments will be made, including

through improving leisure/social, residential and commercial opportunities. The Equality Impact Assessment produced alongside the Strategy has been revised following the AAP engagement and has informed the Investment Plan and reflects AAP feedback and projects which may impact on those with protected characteristics. The Equality Impact Assessment can be viewed at Appendix 3 of the Investment Plan Cabinet Report (10 February 2021).

Climate Change

The Towns and Villages Strategy and Investment Plan contributes to the aims and objectives of the Climate Emergency Response Plan. Opportunities for addressing climate change have been identified against the Environment and Health and Transport and Connectivity theme. Aligning Council activity and adding value to projects coming forward as part of addressing the climate emergency will be undertaken. The need to address climate change was a key theme from the AAP engagement.

Human Rights

Protocol 1 Article 1: Every natural or legal person is entitled to the peaceful enjoyment of his possessions, including their property. Any interference with landowners' rights must be balanced against the wider public. Any implications of enforcement action or compulsory purchase will be considered in detail in the context of specific proposals.

Crime and Disorder

Crime is one of the indicators included to determine the worst performing MSOAs. Any projects identified will seek to reduce vulnerability, increase resilience and ensure public safety and security. Staffing No additional staff resource has been identified. The Towns and Villages Strategy will align Council activity and includes a focus on shared information, integrated solutions and better working arrangements across the Council.

Accommodation

There are no accommodation issues currently identified.

Risk

Individual projects identified within the Investment Plan will have risks assessed and managed as part of project management processes. Procurement When required, projects may require additional expertise commissioned to deliver projects in accordance with the Council's procurement rules/procedures.

Appendix 2

Towns and Villages Investment Plan

EEOSC

Graham Wood, Economic Development Manager

Altogether better



Towns and Villages Strategy

- Increased recognition of the issues / challenges facing communities
- Current investment more than £750 million across the county and a further £20 million allocated
- Additional £300,000 per AAP (2021/22 – 2023/24)



Focus on:

- Partnership Working
- Aligning activities and budgets
- Focus on disadvantaged communities – equitable approach
- Five themes (next slide)

Altogether better

Five Themes

The five themes are;



Strategic Investments

To help achieve more and better Jobs through support for town and neighbourhood centres; link with Partner and wider investments to maximise outcomes; and to maximise integration between council activity and communities;



Housing and Community

To support the accelerated delivery of the Housing Strategy; deliver resilient, inclusive and connected communities; and maximising the benefits from S106 monies and private investment;



Environment and Health

To create local opportunities for physical activity; mental well-being through high quality environment; and support opportunities for addressing climate change helping to enable people to live long and independent lives;

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Built Environment

To drive and support regeneration activities within our towns and villages; find innovative solutions to underused/derelict land and buildings; support independent retailers and businesses to achieving more and better jobs; and to provide clean and attractive built environments that communities are proud of, and



Transport and Connectivity

To ensure connected communities through excellent connectivity for businesses, workforce and learning to help ensure our residents can access more and better jobs; optimise the use of well-maintained and connected transport corridors; encourage the use of alternative modes of transport including walking and cycling for long and independent lives.

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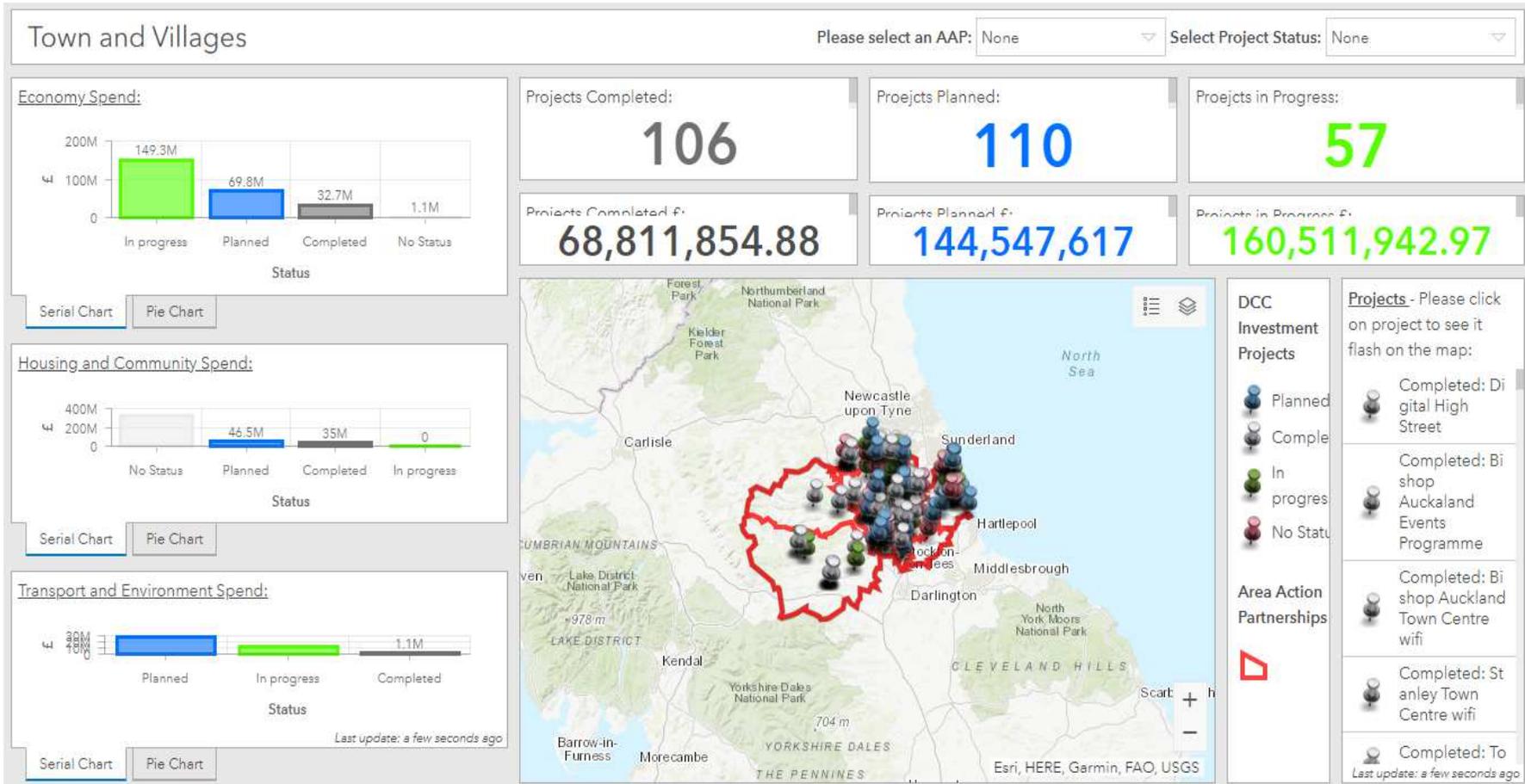
Supporting Council and Partner Activity

- Town centre regeneration
- House Building
- Economic investments
- Selective Licensing
- Tackling Empty Homes
- Clean and Green
- Highway infrastructure and maintenance
- Leisure Transformation

Altogether better



Completed / In progress / Planned Projects



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Event Feedback

	3 To wns	Derw ent Valley	East Durh am	4 T o g	BA S H	C L S	E D R	GA MP	M D R	Stan ley	Durh am	Spennym oor	Teesd ale	Weard ale
Support for retailers and businesses	2	3	2	1	3	7	2	3	3	2	2	1	0	3
Public realm general appearance of some town centres and neighbourhood parades	5	1	4	1	4	7	2	2	4	1	2	2	0	2
Opportunities to repurpose and resolve issues of vacant commercial properties	4	1	2	0	1	3	2	3	4	0	1	1	0	2
Tackle private landlords and address empty properties;	3	0	2	2	1	2	0	0	2	1	0	0	1	1
Ensure good quality of design of our places and spaces;	2	3	2	0	4	2	3	2	2	0	2	1	0	4
Meeting the community's housing needs especially around bungalows and specialist accommodation	4	1	4	2	1	1	4	4	3	0	2	1	4	1
Improved opportunities for healthy living	2	2	1	2	1	2	1	1	3	1	4	3	2	1
improved connectivity through public transport, walk cycling and broadband connectivity	3	4	6	2	2	8	6	4	10	3	14	1	10	13
Litter, flytipping and other anti-social behavior	2	0	10	7	3	8	7	3	6	1	3	3	0	1
Concern around traffic and parking	3	2	2	0	1	3	6	3	1	2	1	0	2	2
Investment in community facilities	1	4	0	3	1	2	1	1	4	0	1	1	1	5

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Investment Plan



Digital High Street



Retail Hub



Neighbourhood Retailing



Community Housing



Housing Opportunities Fund



**Town and Village
Vibrancy (Revenue)**



**Improving
Community Resilience**



**Allotment
Improvement Programme**



**Green Home Fuel
Efficiency Programmes**

Altogether better

Comms and Marketing Strategy

- The map pin represents a particular location – a town or village – as well as the overall towns and villages strategy
- It physically connects the words ‘towns’ and ‘villages’ whilst adding emphasis to the connection between both in reality
- “Putting an area on the map”



Towns & Villages



Towns & Villages



Towns & Villages



Next Steps

- March AAP Board discussions
 - Area Improvement Fund details
- May onwards
 - Improvement Fund details / scheme identification
- Ongoing half yearly Town and Villages engagement with each AAP
 - Improvement Fund schemes
 - Wider investments / plans in the locality

Altogether better



Questions

Altogether better



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**Economy and Enterprise Overview and
Scrutiny Committee**

23 February 2021



**Regeneration, Economy and Growth –
Quarter 2: Forecast of Revenue and
Capital Outturn 2020/21**

Report of Corporate Directors

Paul Darby, Corporate Director of Resources (Interim)

**Amy Harhoff, Corporate Director of Regeneration, Economy and
Growth**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide details of the forecast outturn position for quarter 2 revenue and capital for Regeneration, Economy and Growth (REG) as at 30 September 2020.

Executive summary

- 2 This report provides an overview of the updated forecast of outturn, based on the position at quarter 2, 2020/21. It provides an analysis of the budgets and forecast outturn for the service areas falling under the remit of this Overview and Scrutiny Committee and complements the reports considered and agreed by Cabinet on a quarterly basis.
- 3 The updated position is that there is a forecast underspend of £1.032 million, against a revised budget of £53.449 million.
- 4 In arriving at the cash limit position, Covid-19 related expenditure of £20.035 million, offset by Covid-19 related savings of £5.148 million within REG have been excluded from the forecasts. Covid-19 related costs are being treated corporately and offset by Government funding so far as is possible, though forecast net costs currently exceed the grant that has been made available.
- 5 The revised service capital budget is £74.017 million with expenditure to 31 August of £22.626 million.

- 6 Details of the reasons for under and overspending against relevant budget heads are disclosed in the report.

Recommendation(s)

- 7 Economy and Enterprise Overview and Scrutiny Committee is requested to note the contents of this report.

Background

8 County Council approved the Revenue and Capital budgets for 2020/21 at its meeting on 26 February 2020. These budgets have subsequently been revised to account for changes in grant (additions/reductions), budget transfers between service groupings and budget re-profiling between years (in terms of capital). This report covers the financial position for the following budgets of the services within the scope of this committee;

- (a) Revenue Budget - £53.449 million (original £52.770 million)
- (b) Capital Programme – £74.017 million (original £85.434 million)

9 The original service budgets have been revised in year to incorporate a number of budget adjustments as follows:

• Transfer from NCC – CPPMU Team	£0.086m
• Transfer from AHS – Repairs & Maintenance	£0.003m
• Transfer from Resources – Surplus Assets	£0.025m
• Transfer from Resources – Asset Sales (temp position)	£0.018m
• Transfer from Contingencies – Apprenticeship Grades	£0.007m
• Transfer to Contingencies - NI Reduction	-£0.023m
• Transfer to Contingencies – Concessionary Fares	-£0.518m
• Net Use of Reserves – Quarter 1	£1.081m

10 The summary financial statements contained in the report cover the financial year 2020/21 and show: -

- (a) The approved annual budget;
- (b) The actual income and expenditure as recorded in the Council's financial management system;
- (c) The variance between the annual budget and the forecast outturn;
- (d) For the revenue budget, adjustments for items outside of the cash limit (outside of the Service's control) to take into account such items as redundancies met from the strategic reserve, capital charges and use of / or contributions to earmarked reserves.

Forecast Revenue Outturn 2020/21

11 The service is reporting a cash limit underspend of **£1.032 million** against a revised budget of **£53.449 million**.

12 The following two tables show the budget analysed by subjective category (type of expense), and then by Head of Service area.

Service Budget – Subjective Analysis £'000

Subjective Analysis	Annual Budget	Forecast Position	Variance	From Earmarked Reserves	Net Covid Adj	Outside the cash limit	Adj. Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Employees	57,377	54,947	(2,430)	(75)	17	0	(2,488)
Premises	15,983	16,782	799	0	(733)	0	66
Transport	1,617	1,314	(303)	0	206	0	(97)
Supplies & Services	17,626	20,563	2,937	(585)	1,845	0	4,197
Agency & Contracted	42,229	48,581	6,352	0	(2,073)	0	4,279
Transfer Payments	0	94	94	0	0	0	94
Central Costs	11,940	12,165	225	0	0	0	225
Capital Financing	8,464	8,464	0	0	0	0	0
GROSS EXPENDITURE	155,236	162,910	7,674	(660)	(738)	0	6,276
Income	(101,787)	(95,029)	6,758	83	(14,149)	0	(7,308)
NET EXPENDITURE	53,449	67,881	14,432	(577)	(14,887)	0	(1,032)

Service Budget - Analysis by Head of Service £'000

REG Service Analysis	Annual Budget	Forecast Position	Variance	From Earmarked Reserves	Net Covid Adj	Outside the cash limit	Adj. Variance
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Culture & Sport	22,463	28,236	5,773	44	(5,678)	0	139
Business Durham	(18)	2,822	2,840	0	(3,237)	0	(397)
Transport & CS	2,610	4,003	1,393	(75)	(1,255)	0	63
Development & Housing	7,001	8,245	1,244	(490)	(981)	0	(227)
Corporate Property & Land	61	3,295	3,234	(56)	(3,669)	0	(491)
REG Central Costs	21,142	20,992	(150)	0	0	0	(150)
Corporate Director	190	288	98	0	(67)	0	31
NET EXPENDITURE	53,449	67,881	14,432	(577)	(14,887)	0	(1,032)

- 13 The council has faced significant additional costs in relation to the Covid-19 outbreak and significant loss of income. In many areas the costs and loss of income for the first quarter are known. The likely impact over the remainder of the year however is much more uncertain. All additional costs and loss of income, net of Covid-19 related underspending, is being treated corporately and is therefore excluded from the cash limit.
- 14 The major areas of forecast Covid-19 additional cost and loss of income in respect of REG are as follows:
- (a) Culture Sport and Tourism – it is forecast that during 2020/21 the service will lose income from leisure centres (£6.563 million) and cultural venues (£2.584 million);
 - (b) Corporate Property and Land – it is forecast that there will be lost income of £4.447 million in Building and Catering Services;
 - (c) Transport and Contracted Services – it is forecast that there will be reduced income from parking services (£1.044 million) and enforcement (£0.312 million);
 - (d) Development and Housing – Reduced income is forecast from planning and building regulation (£0.645 million) while there are additional costs of bed and breakfast accommodation and shopping for the vulnerable (£0.273 million); and
 - (e) Business Durham – There are projected rental losses in respect of Business Space (£0.237 million) and £3 million has been included in respect of grant support for businesses. This is to safeguard jobs and facilitate economic recovery.
- 15 The major areas of forecast Covid-19 related savings in respect of REG are as follows:
- (a) Savings due to the closure of leisure facilities (£1.751 million) and cultural facilities (£1.766 million) are forecast;
 - (b) Savings from the closure of facilities operated by Corporate Property and Land are expected to be £0.670 million; and
 - (c) Additional savings across the service of £0.210 million from transport and other operational costs are anticipated.

Cash Limit Outturn – Explanation of Over and Under Spending

16 The main reasons accounting for the outturn position are as follows:

- Transport is £0.063 million overspent. This is mainly due to overspends in Sustainable Transport (£18,000), Traffic (£0.149 million) and Care Connect (£11,000), offset by savings while filling the Head of Transport post.
- Corporate Property and Land is forecast to be £0.491 million underspent, mainly resulting from an underspend of £0.174 million relating to an insurance claim for fire damage at Dale View Caravan Park, unbudgeted rental income in Assets of £0.131 million, business rate refunds of £62,000 relating to the previous financial year and underspends on utilities across administrative buildings of £0.124 million. Building Services construction and repairs / maintenance teams are currently forecasting a break even position. In order to mitigate workload shortages arising from the Covid-19 pandemic, an additional sum of £1.5 million has been included in the forecast spend in respect repairs and maintenance. The funding for this work is included in the additional costs, and lost income relating to Covid-19
- Development and Housing is forecast to be underspent by £0.227 million. This is mainly due to underspends in Housing Solutions (£0.239 million) and Planning Development (£0.112 million), offset by a projected overspend in Economic Development of £0.056 million. There were also a number of other minor overspends across the service.
- Business Durham is forecast to be £0.397 million underspent. This is mainly as a result of underspending within Business Space, which has an underspend of £0.636 million due to the service achieving higher than budgeted levels of income and savings in Corporate employee costs (£97,000), offset mainly by an overspend in Operations (£0.307 million) and Innovation and Marketing (£29,000). An additional sum of £3 million has been included in the forecast spend in respect of grant support for businesses. This is to safeguard jobs and facilitate economic recovery. The funding for this work is included in the additional costs, and lost income relating to Covid-19.
- Culture & Sport is forecast to be overspent by £0.139 million. This is mainly the result of an overspend of £0.391 million relating to the former Leisureworks facilities that were brought inhouse.

This overspend is partially offset by other underspends across the service of approximately £0.252 million in relation to employee costs in Wellbeing of £0.112 million, within Leisure Centres of £70,000, Libraries of £74,000 and from the partial closure of Bishop Auckland Town Hall of £77,000. There are also a number of other minor overspends across the service.

To ensure the development of Beamish Museum can be completed the council has been approached to contribute a one-off sum of £1.5 million to the project in 2020/21. It was hoped that all constituent authorities would contribute to this request, but that has not been the case. In 2020/21 a one off £10 million invest to save budget was included in Culture and Sport and it is not anticipated that this budget will be fully utilised, which will enable the £1.5 million to be financed from that budget provision.

- 17 **Appendix 2** provides a more detailed breakdown of variations across the service area contained within the revenue budget.
- 18 In summary, the service grouping has successfully maintained spending within its cash limit.

Capital Programme

- 19 The capital programme makes a significant contribution to the regeneration ambitions of County Durham. The programme is relatively large and diverse and is managed by project delivery officers throughout the service.
- 20 The capital programme was revised in May for budget re-phased from 2019/20. This increased the 2020/21 original budget, since then further reports to the MOWG have detailed further revisions, for grant additions/reductions, budget transfers and budget re-profiling into later years. The revised budget now stands at **£74.017 million**.

21 Summary financial performance for 2020/21 is shown below.

Service	Revised Annual Budget 2020/21 £000	Actual Spend to 31 August £000	Remaining Budget 2020/21 £000
Culture, Sport and Tourism	1,929	185	1,744
Development & Housing	19,157	5,057	14,100
Business Durham	7,973	4,217	3,756
Corporate Property & Land	29,721	6,371	23,350
Transport & Contracted Services	15,237	6,796	8,441
Total	74,017	22,626	51,391

22 Officers continue to carefully monitor capital expenditure on a monthly basis. Actual spend for the first 5 months amounts to **£22.626 million**. **Appendix 3** provides a more detailed breakdown of spend across the major projects contained within the capital programme.

23 The key areas of spend during the year to date are on Major Transport Schemes (£6.262 million), Office Accommodation (£5.588 million) and Industrial Estates (£4.217 million). Other areas of the programme are profiled to be implemented during the remainder of the year and at year end the actual outturn performance will be compared against the revised budgets and service and project managers will need to account for any budget variance.

Background papers

- Cabinet Report (18 November 2020) – Forecast of Revenue and Capital Outturn 2020/21 – Period to 30 September 2020.

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Tel: 03000 261861

Appendix 1: Implications

Legal Implications

The consideration of regular budgetary control reports is a key component of the Council's Corporate and Financial Governance arrangements. This report shows the forecast spend against budgets agreed by the Council in February 2020 in relation to the 2020/21 financial year.

Finance

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital outturn position alongside details of balance sheet items such as earmarked reserves held by the service grouping to support its priorities.

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

Not applicable.

Climate Change

Not applicable.

Human Rights

Not applicable.

Crime and Disorder

Not applicable.

Staffing

Not applicable.

Accommodation

Not applicable.

Risk

The consideration of regular budgetary control reports is a key component of the Councils Corporate and Financial Governance arrangements.

Procurement

The outcome of procurement activity is factored into the financial projections included in the report.

Appendix 2: Revenue Budget Variances – Quarter 2 2020-21

Culture Sport and Tourism

	Variance	Explanation
Culture & Sport Management	(1,271)	C&S Management £1,271k under budget - additional post not budgeted for £27k, MTFP Savings to be achieved pending restructure £202k less £1,500 payment to Beamish against Service Development, pending budget adjustment
Service Development	1,339	Place & Experience (£79k) under budget - mainly due to underspend in Community Arts and Visual Arts
		Wellbeing (£112k) under budget - due to 2 vacant posts and supplies and services underspends
		Growing & Learning £1,466k over budget - Mainly vacant posts within Library, Stock and Distribution offset with additional cost for Collections Assistant post to be covered by Visual Arts Vacancy, saving on Sevenhills utilities and Transport offset with additional Bowes payment in year 1 of the five year agreement and £1,500k payment to Beamish, budget against CS&T Mgt
		Improvement & Development £72k over budget -primarily overspent on leisure contracts including payments to 1Life.
		Externally Funded (£8k) under budget - surplus on the prison library service
Locality Delivery- Mgt	(1)	Minor variance
Locality 1	(70)	Locality 1 (£70k) under budget - Mainly a shortfall in income of £217k and a £82k overspend on Agency and Contracted Services offset with savings against Employees of (£144k) Premises - primarily utilities of (£69k) and Supplies and Services of (£154k)
Locality 2	(79)	Locality 2 (£79k) under budget - Mainly Leisure Centre income saving of (£730k) plus saving on staffing of (£33k), Premises - primarily utilities of (£49k) and supplies and services of (£14k) offset with overspend against agency and contracted services of £744k
Locality 3	(166)	Locality 3 (£166k) under budget - Mainly made up of (£285k) underspend staffing, (£123k) saving on Premises Costs offset by underachievement of income of £30k and overspends against supplies and services £110k and agency and contract related services of £103k
Visit County Durham	(4)	VCD (£4k) primarily underspend against employees
Derwentside Culture & Sport	391	Derwentside £391k over budget - Employees £9k, utilities £191k, rates £17k, cleaning £4k, £20k across supplies & services and income £403k overspends offset with underspends against insurance (£27k), transport (£5k) and agency and contract related expenditure (£221k)
TOTAL	139	

Business Durham

	Variance	Explanation
Operations	307	307k Operations - There is a 122k overspend on Employees due to honoraria payments. There is significant additional Consultancy and Project Management expenditure of 574k with a further 3,936m in Agency expenditure with the introduction of the UMI contract for Durham SME Digital Programme and County Durham Growth Fund. This is offset by (4,341m) matching ERDF grant and additional income from DIT KAM contract. The overspend is the match funding for the various programmes which will be met by over achieved income in Business Space. Premises shows an overspend of 17k and Transport has an underspend of (5k). A 3k COVID adjustment for savings in supplies, transport, etc.
Corporate Costs	(97)	(97k) Corporate - (98k) savings on Employee vacancies with a (12k) underspend on other areas. A 14k COVID adjustment for savings in supplies, transport, etc.
Innovation & Marketing	29	29k Innovation & Marketing - 5k Employee overspend, (30k) staff travel savings and 17k overspend on various supplies & services. A 37k COVID adjustment for savings in supplies, transport, etc.
Business Space	(636)	<p>(94k) Business Space Mgmt & Admin - Employees underspend of (81k) offset with the overspend in Operations. (35k) underspend in Premises and other additional savings in Supplies and Transport of (11k). The unachieved income of 33k is to be vired equally across the 4 areas of Business Space.</p> <p>(3k) Business Services - An underspend in Employees of (20k) offset by 16k overspend on Supplies and Services.</p> <p>(182k) Business Space South - Underspend on industrial sites of (84k) on Premises and over achievement of Income (97k). There is also a small overspend in Supplies of 10k. There is no provision for debt written-off at this time, giving an additional saving of (11k).</p> <p>63k Business Space Dales - There is a 10k overspend on Employees due to casual staff cover which has now ceased and additional hours for a permanent employee. Premises show an overspend of 30k due to rates and cleaning which is offset by savings of (18k) in Supplies and Services. Under achieved income for Dales Centre is 41k.</p> <p>(107k) Business Space North - Overspend on Premises 37k for various programmed repairs. The overspend in Supplies of 296k is for Jade to be offset by additional income of (428k). There is no provision for debt written-off so a saving of (12).</p> <p>20k Business Space Central - An underspend in Premises of (12k) offset by various overspends of 10k. An under achievement in Income of 23k and no projected debt written-off giving a further saving of (1k).</p> <p>(41k) Business Space NETPark - There is an over achievement of Income (195k) with an underspend in Supplies of (30k) and further savings in other areas of (5k). These are offset with the deferred rates for Kromek of 189k.</p>

		<p>It should be noted that a 10% fall in rental income totalling (400k) was projected at Quarter 1, despite the fact that income and occupancy levels were good in the early months of the year. This was considered prudent in light of the potential impact on deferred and future rent yields as the local economy emerges from the effects of the COVID crisis. This has been reviewed and revised for Quarter 2 to project a 5% projected fall in rental income of (237k) with further adjustments being done for (63k) of COVID related additional costs and a 9k adjustment for savings in transport, supplies, etc.</p>
TOTAL	(397)	

Transport and Contracted Services

	Variance	Explanation
Management	(115)	Savings on staff budget due to Head of Service leaving and being covered by temporary arrangement
Strategic Traffic	149	<p>Employees - £116k overspend - Additional costs for Traffic Manager due to covering HOS post, plus Staff turnover savings requirement £49k, plus additional costs for Apprentice posts and some re-gradings in Traffic not yet budgeted for.</p> <p>Premises - £67k overspend - £73k overspend on rates, offset by (£9k) underspend on Durham Bus Station due to likely closure in year. Plus some other minor overspends across the service.</p> <p>Transport - £29k overspend - mainly due to £31k overspend on repairs to bus shelters, being offset by savings across mileage/pool cars of (£11k) and some other minor overspends across the service.</p> <p>Supplies and Service - £101k overspend - Additional £35k spend on LCWIPs and £26k on providing consultant cover for a post in Highways Development. £55k overspend in Traffic. Offset partly by (£8k) underspend at Durham Bus Station, plus some additional underspends across the service.</p> <p>Third Party Payments - (£83k) underspend - (£83k) underspend on Park & Ride sites. (£24k) underspend on On & Off Street parking and (£17k) underspend on Durham Bus Station due to likely closure in year. Offsetting overspends of £32k for parking enforcement. Plus some minor overspends across the service.</p> <p>Central charges/Capital - (£26k) underspend - due mainly to underspend in relation to recharge for winter maintenance activities on car parks.</p> <p>Income - (£55k) over-achievement on income - Mainly due to loss of income related to COVID-19 being covered by a variety of grants. Offset partially by (£28k) additional income from bus shelter advertising and (£14k) additional income from recharges in Transport Project. Plus some minor variances across the rest of the service.</p>
Sustainable Transport	18	<p>Employees - (£121k) underspend - (£121k) underspend due to vacancies in Adult Fleet and some variances in Integrated Transport.</p> <p>Transport - (£107k) underspend - due mainly to (£106k) underspend in Adult Fleet due to reduced usage as a consequence of COVID-19 and vehicle excess. Plus some minor underspends across the service.</p> <p>Supplies & Services - (£122k) underspend - mainly due to (£25k) underspend on printing, (£23k) underspend on telephone costs, (£65k) underspend on Computer related expenditure. An underspend of (£5k) on bus and rail services and a (£6k) underspend in Adult Fleet. Plus other general underspends across the service.</p> <p>Third Party Payments - £103k overspend - mainly due to overspend on Bus and Rail contracts of £85k related to extra costs to Arriva (associated with CBSSG claim) and additional £25k related to normal services, plus some other minor underspends across service</p> <p>Central Support Services - (£11k) underspend - Due mainly to reduced recharges to Traveline anticipated.</p> <p>Income - £302k under-achievement - Mainly due to extra CBSSG income covering fares reductions & extra Arriva costs above in Bus & Rail Services (£109k) and additional (£100k) grant to help with colleges which is offsetting £392k around the recharges for fleet services. Plus some additional over-achievements of income across the service.</p>

Care Connect	11	<p>Employees - £17k overspend - due mainly to vacant posts not being filled offsetting levels of overtime in the service.</p> <p>Premises - (£3k) underspend - due to reduction in electricity charges.</p> <p>Transport - £4k overspend - due to minor overspends across the service.</p> <p>Supplies & Service - £29k overspend - due mainly to increased costs £63k for equipment and materials being offset by (£25k) underspend in Marketing spend as postholder only started mid year . Plus some other minor underspends across the service.</p> <p>Third Party Payments - (£1k) underspend - due to minor underspends in CCTV.</p> <p>Central costs - £3k overspend - due to writing off of bad debts in year.</p> <p>Income - (£38k) over-achievement on income - Due mainly to additional (£47k) income in CCTV area and (£34k) for care connect main customers, plus some other additional income from recharges (£30k) in Localities offsetting a reduction of SLA income by £73k.</p>
TOTAL	63	

Development and Housing

	Variance	Explanation
Head of Dev & Housing	29	29k Head of Service overspend. 395k overspend on Supplies for professional, legal and Karbon Homes fees, offset by (366k) drawdown from Planning Reserve for invoices received to date.
Planning Development	(112)	<p>42k Development Management overspend. Saving on Employees and Transport of net (102k) - historical saving reduced after transfer of vacancies to Business Support. Overspend of 54k on Supplies & Services due to increased consultants, legal and other professional fees and demolition costs. Overspend of 90k on Central Management Recharges for financial support given to Community Safety planning related work. Under achieved fee income of 500k projected due to the COVID crisis has been offset by adjustment below the line of the same amount.</p> <p>Business Development Support nil net spend.</p> <p>12k Planning Archiving overspend on third party Agency costs.</p> <p>(60k) Planning Appeals underspend due to savings in legal and professional fees.</p> <p>(25k) Planning Software underspend on rental maintenance and software costs.</p> <p>(162k) Building Control underspend due to savings on Employees (121k) and Transport (15k) delays filling vacancies. Saving on Supplies and Agency of (26k) on equipment, subscriptions, IT costs and advertising. Under achieved income of 145k projected due to the COVID crisis has been offset by adjustment below the line of the same amount.</p> <p>43k Dangerous Structures overspend re repairs in Premises and condition surveys in Supplies & Services.</p> <p>38k COVID saving adjustment for transport, supplies, etc.</p>
Spatial Policy	40	40k Spatial Policy overspend due to savings of (56k) on Employees due to two vacancies and (4k) Transport offset by net overspend of 183k on Supplies and Agency largely on planning inspectors fees, partially offset by a (58k) drawdown from reserves to offset the inspection fees. Additional grant Income of (43k). 18k COVID saving adjustment for transport, supplies, etc.
Economic Development	56	(2k) Community Econ Dev. Small savings on Transport (1k) and Supplies (2k). COVID savings adjustment of 1k for transport, supplies, etc.

		<p>74k Durham Employment & Skills. An overspend due in the main to the cessation of various work programmes where the budgeted surplus of 323k from income will not be realised. This is offset by underspends on employees for two vacancies (83k), Transport (14k) and Supplies (27k). An adjustment of (139k) has been made for the under achievement of income caused by the COVID pandemic and a further adjustment of 14k was made for COVID related savings in transport, supplies, etc. Where work contracts have ceased budgets have been re-aligned as far as possible from Quarter 1 to reflect the service's current workload and income expectations.</p> <p>2k Economic Development. Saving of (21k) on Employees, (3k) Transport costs and (21k) on Supplies & Services. Contractor payments are expected to overspend 186k, which is offset by increased Income of (142k). COVID saving adjustment of 3k for transport, supplies, etc.</p> <p>(37k) Employability. Under budget due to Employee savings of (83k) offset by a transfer back to reserves of 47k and a COVID costs adjustment of (1k).</p> <p>19k International Relations. Reduced income figure of 194k offset by reduction in related expenditure of (136k). There are also savings in Employees of (15k) and Transport (1k) and a COVID related savings adjustment of 1k. COVID adjustment of (24k) for lost schools' income.</p>
Physical Development	(18)	<p>8k management & Admin. Underspend of (138k) on employees for vacancies. Saving of (£9k) on Transport for staff travel and car allowances. Overspend on Supplies of 192k due in the main to Professional fees, offset by Commercialisation Reserve drawdown of (131k). Under recovery on income of 83k. COVID adjustment for savings on transport and supplies, etc of 11k.</p> <p>Durham City Promotions (40k). Saving of (40k) on promotions budget in Agency. Best Bar None will not be held.</p> <p>Community Led Housing (1k). Surplus due to additional Income of (3k) offset by small savings of 2k in other expenditure.</p> <p>Strategic Housing Delivery nil net spend.</p> <p>Strategic Housing - Chapter Homes 15k. Overspend on Employees 23k and Premises 2k. These are offset by savings in Transport (3k) and Supplies (7k)</p> <p>Town Centres nil net spend. Overspend of 40k in Supplies on professional fees to be financed from earmarked reserve.</p> <p>Strategic Employment Site nil net spend. Overspend of 12k in Strategic Sites on Supplies, professional fees, to be financed from earmarked reserve.</p>
Housing Solutions	(239)	<p>25k Area Based Housing. 32k Overspend on Employees, Supplies & Services underspend of (6k) due to year end provision not required. 39k overspend in Agency & Contracted Services to offset (40k) additional income.</p> <p>Nil net balance Housing Improvement. Very little activity within this area, all Expenditure is offset by Income.</p>

		<p>(103k) Activities. An overspend of 349k in Bed & Breakfast, 18k Out of Hours and 11k Prevention for Supplies and Services offset by (200k) additional income. Small savings in other areas of (8k) and a COVID additional costs adjustment of (273k).</p> <p>(16k) Family Intervention Project. Underspend on Employees (67k) offset by additional Transport costs 1k and reduced Income 50k.</p> <p>5k GRT Sites. Underspend on Employees (3k) and additional Income from Housing Benefit of (40k). A projected overspend on Premises of 88k for utilities, largely water charges. Underspend on Supplies (40k) for general expenses.</p> <p>47k Housing Initiatives. Selective Licensing shows expenditure of 138k, Project Beta expenditure of 11k, which is offset with Homeless Support Grant additional income of (61k) and Rapid Re-Housing (44k). There is a small overspend of 3k in Choice Based Lettings.</p> <p>(197k) Core Funded. Employees under budget (209k) re vacancies and MTFP saving 21/22. There is an overspend in Supplies of 53k due in the main to Conference and Seminar additional expenditure and other expenses. Transport shows an underspend of (47k) for staff travel and other small overspends of 2k. COVID adjustment of 4k for savings on transport, supplies, etc.</p>
Funding & Programmes	2	2k COVID saving adjustment for transport, supplies, etc.
Strategy & Project Development	16	16k Strategy & Project Dev overspend due to additional Transport costs 2k and overspend in Supplies 51k due largely to legal costs this year offsetting other supplies savings. Legal costs to be offset by (43k) drawdown from reserves. COVID saving adjustment 6k for transport, supplies, etc.
TOTAL	(226)	

Corporate Property & Land

	Variance	Explanation
Head of CPAL	(10)	Minor variance
Assets	(187)	<p>£38k overspend on professional services to support the service until restructure</p> <p>(£115k) underspend for unbudgeted rental income</p> <p>£13k overspend at Murton Resource due to tenant vacating</p> <p>£21k overspend at Horden Offices due to tenant vacating</p> <p>£14k overspend at Beveridge Arcade due to underachieved income</p> <p>(£9k) underspend at North Road Durham, payments due to HCA to be finalised in 20/21 when demolition date is known</p> <p>£29k overspend on Property Surveys for structures</p> <p>(£17k) underspend at Millennium Square due to unbudgeted rent income</p> <p>(£88k) underspend at Freemans Reach 1 following rent review</p> <p>£18k overspend on Freemans Hydro scheme due to repairs</p> <p>£54k overspend at Freemans Reach 2 due to ongoing dispute with tenant</p> <p>(£174k) underspend for Surplus Property which relates to insurance claim for Dale View Caravan Park fire damage</p> <p>£29k overspend at various other buildings</p>
Buildings & FM	(294)	<p>No variance Construction / R&M, however report on workload shortages being prepared for CMT</p> <p>(£23k) underspend on Management due to vacant post</p> <p>(£36k) underspend on Business Development due to staff vacancy and supplies</p> <p>£49k overspend on Compliance due to underachieved income being offset by vacant posts now being advertised</p> <p>£42k overspend on closed buildings awaiting disposal (Stanhope Town Hall, Claypath, Front St Stanley, Croft St, Hopper House)</p> <p>(£55k) underspend at Seaham due to unbudgeted income</p> <p>(£62k) underspend on rate refunds from 19/20 not processed in time due to Covid workloads</p> <p>(£12k) underspend on FM staffing due to vacancies</p> <p>(£27k) underspend on Pavilion utilities and rechargeable works</p> <p>(£46k) underspend on FM supplies</p> <p>(£124k) underspend on utilities across FM buildings</p>
Building Design	0	No variance
CPPMU	0	£12k overspend due mainly to unachieved staff turnover savings
TOTAL	(491)	

Appendix 3: Capital Programme 2020/21

	Revised Annual Budget £000	Profiled Budget £000	Actual Spend to 31 August £000	Remaining Budget £000
General Fund				
Development & Housing				
North Dock, Seaham	72	0	0	72
Town Centres	3,380	900	472	2,908
Town & Village Centre	1,353	180	127	1,226
Minor Schemes	168	42	42	126
Disabled Facilities Grant /FAP	5,548	1,670	1,533	4,015
Housing Renewal	3,253	366	188	3,065
Housing Development	1,032	274	170	862
Chapter Homes	2,500	1,175	2,525	(25)
Beamish Capital Project	1,623	406	0	1,623
Strategy & Programmes Minor Schemes	228	0	0	228
	19,157	5,013	5,057	14,100
Business Durham				
Industrial Estates	7,973	3,772	4,217	3,756
	7,973	3,772	4,217	3,756
Corporate Property and Land				
Structural Capitalised Maintenance	3,986	644	783	3,203
Office Accommodation	25,735	5,710	5,588	20,147
	29,721	6,354	6,371	23,350
Transport & Contracted Services				
Local Transport Plan	2,292	370	378	1,914
Transport Major Schemes	12,789	8,014	6,262	6,527
T&CS Minor Schemes	156	0	156	0
	15,237	8,384	6,796	8,441
Culture, Sport and Tourism				
AAP Schemes	0	0	0	0
Culture and Museums	1,048	277	174	874
Leisure Centres	662	20	11	651
Library	0	0	0	0
Outdoor Sports and Leisure Facilities	219	0	0	219
	1,929	297	185	1,744
Regeneration & Economic Growth	74,017	23,820	22,626	51,391

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**Economy and Enterprise
Overview and Scrutiny Committee**

23 February 2021

**Quarter Two, 2020/21
Performance Management Report**



Report of Paul Darby, Interim Corporate Director of Resources

Electoral division(s) affected:

Countywide.

Purpose of the Report

- 1 To present progress towards achieving the key outcomes of the council's corporate performance framework.

The impact of COVID-19

- 2 A highly infectious coronavirus, SARS-CoV-2 which can cause the respiratory disease COVID-19 has spread rapidly across the world during 2020. This resulted in a global pandemic being declared by the World Health Organisation on 11 March 2020.
- 3 Significant restrictions to normal ways of life, travel and business have been put in place by the government to try to contain the spread of the virus, minimise deaths and prevent COVID-19 cases overwhelming our health and social care systems.
- 4 Durham County Council has a public health role and is at the forefront of responding to the pandemic within the county. Restrictions that have been introduced to contain the spread of the virus have also affected a number of council services. Some buildings had to be closed and a number of services have moved online. It was necessary for the council to adapt and we have significantly changed our service provision and ways of working. Communities and businesses within the county have been impacted by the pandemic and much of our work since March has been to respond to these needs and develop plans for future recovery. Gold command arrangements were activated nationwide to respond to the emergency. Locally, this involved the council working in partnership with other agencies on the local resilience forum which covers both County Durham and Darlington to protect our communities and support those affected by the pandemic.

- 5 The COVID-19 surveillance dashboard can be accessed [here](#).

Performance Reporting

- 6 This performance report is structured around the three externally focused results-based ambitions of [the County Durham Vision 2035](#) alongside a fourth 'excellent council' theme contained within the [Council Plan](#) that was recently approved. It also includes an overview of the impact of COVID-19 on council services, our staff and residents.

More and Better Jobs

- 7 The UK economy suffered its biggest slump on record between April and June with GDP falling by 20.4% as coronavirus lockdown measures pushed the country into its first recession in 11 years.
- 8 As the national lockdown was gradually eased throughout June and July, pent-up consumer demand, growing consumer confidence as COVID-19 cases fell and government economic policies (e.g. Eat Out to Help Out, the temporary cut in VAT for the hospitality and leisure sector) led to increased economic activity.
- 9 However, economists still remain concerned and are forecasting a prolonged recession lasting until spring 2021 as infections increase and tougher restrictions are introduced to contain the virus. Increased local restrictions were introduced in County Durham and six other neighbouring authorities at the end of September and the whole North East region was placed into the high alert category when the national three tier system was introduced for England in mid-October. More recently we have entered a second national lockdown in response to a second wave of infections.
- 10 In addition, the impact of the virus over the coming winter months and the outcome of Brexit negotiations are continuing to contribute to economic uncertainty.
- 11 Across the county, and in line with the national picture, the employment rate has marginally increased. However, with most recent data being for Summer 2020, this rate has yet to show any significant COVID-19 impact due to the government's employment support package being in place – measures which are supporting a third of eligible jobs (furlough) and three quarters of self-employed people (income support scheme) across the county.
- 12 The Universal Credit claimant count gives a more up to date picture of unemployment related claims to the end of September. This shows a significant increase, particularly in the 16-24 age range (a 62% increase over the last six months which equates to almost 2,000 young people). Retail vacancy rates have increased in many of our town centres. There

has been an estimated loss of £445 million in local economy spend in our leisure, tourism and hospitality sector. These economic impacts will have a knock-on effect on poverty and put increased pressure on our communities. Pre-COVID data placed us within the top 40% most deprived upper-tier authorities across England.

- 13 To mitigate against these challenges, we are continuing to support employees and businesses through a variety of projects and grants, with a specific focus on addressing inequality across employment for those aged 16-24. We have developed an agile economic recovery plan and are identifying a pipeline of investment projects which will stimulate the economy. We are also developing employability programmes to support those who have been made unemployed due to the coronavirus crisis.

Connected Communities – Sustainable Communities focus

- 14 Although recent data shows traffic levels have returned to 85-90% of pre-COVID volumes, and bus passenger numbers to around 50%, we are expecting this to decrease as we enter a second national lockdown. Cycling figures have doubled across the county.
- 15 Presentations to our Housing Solutions Service have increased and the complex needs of clients alongside a reduction in available property is making it difficult to secure accommodation. In addition, we are concerned there may be a further increase towards the end of the 2020/21 as we near the lifting of the government's eviction ban. We continue to work across the sector to minimise the impact.

Risk Management

- 16 Effective risk management is a vital component of the council's agenda. The council's risk management process sits alongside our change programme and is incorporated into all significant change and improvement projects.
- 17 *Failure to respond to and recover from the COVID-19 pandemic, leading to delayed economic recovery and adverse impacts on the safety and welfare of the wider community'. The council's response is being led by the Director of Public Health, supported by an internal planning group, which is linked to planning arrangements at local, regional and national levels. Formal internal governance arrangements to oversee and manage risk are in place. Longer-term risks will be identified and managed, including recovery of service delivery back to business as usual, dealing with the impact on future local government funding from central government and the economic impact on County Durham. This risk is long term.*

Recommendation

- 18 That Economy and Enterprise Overview and Scrutiny Committee considers the overall position and direction of travel in relation to quarter two performance, the impact of COVID-19 on performance, and the actions being taken to address areas of underperformance including the significant economic and well-being challenges because of the pandemic.

Author

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Appendix 1: Implications

Legal Implications

Not applicable.

Finance

Latest performance information is being used to inform corporate, service and financial planning.

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

Equality measures are monitored as part of the performance monitoring process.

Climate Change

We have declared a climate change emergency and consider the implications of climate change in our reports and decision-making.

Human Rights

Not applicable.

Crime and Disorder

A number of performance indicators and key actions relating to crime and disorder are continually monitored in partnership with Durham Constabulary.

Staffing

Performance against a number of relevant corporate health indicators has been included to monitor staffing issues.

Accommodation

Not applicable.

Risk

Reporting of significant risks and their interaction with performance is integrated into the quarterly performance management report.

Procurement

Not applicable.

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Durham County Council Performance Management Report

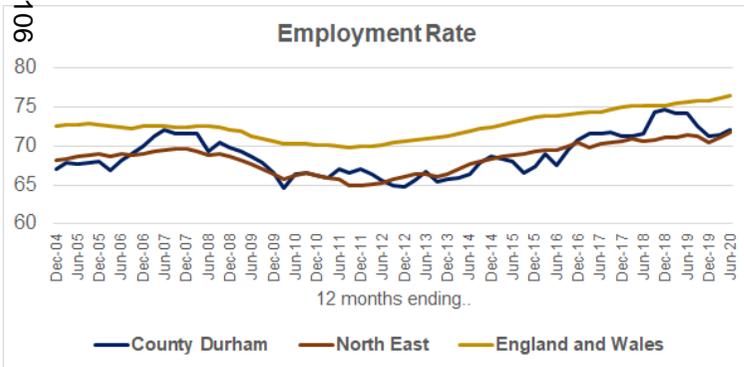
Quarter Two, 2020/21



MORE AND BETTER JOBS

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a) Do residents have good job prospects?



Employment Rate
(APS Jul-19 - Jun-20)

72.1%
marginal increase
in line with national and regional trends

Unemployment Rate

APS (Jul-19 – Jun-20)	Labour Force Survey Estimate (Jun-20 – Aug-20)
5.5% marginal decrease	7% marginal increase

national redundancy rate (June to August)

8.2 per 1,000 employees (3.9 per 1,000 employees in March)	Men 9.0 per 1,000 employees
	Women 7.3 per 1,000 employees

Claimant Count
People claiming unemployment related benefits

Age band	Sep-20	Sep-19	Increase
16-24	4,995	2,890	+2,105 +73%
25-49	11,820	6,655	+5,165 +78%
50-54	1,690	1,020	+670 +66%
55-59	1,655	930	+725 +78%
60-64	1,355	795	+560 +70%

Claimant rate Sep-20

Percentage point change since Mar-20

No. of claimants
(16-64 years)

Sep-20
21,515

Sep-19
12,290

Middlesbrough	10.4%
South Tyneside	9.4%
Hartlepool	9.1%
Sunderland	8.3%
Gateshead	7.7%
Newcastle upon Tyne	7.7%
Redcar and Cleveland	7.6%
Darlington	7.2%
Stockton-on-Tees	7.2%
County Durham	6.6%
North Tyneside	6.5%
Northumberland	6.0%

- Bishop Auckland
- City of Durham
- Easington
- North Durham
- North West Durham
- Sedgefield

	16 - 64 years	18 - 24 years	16 - 64 years	18 - 24 years
Bishop Auckland	7.0	12.4	2.7	3.8
City of Durham	4.3	3.4	2.1	1.8
Easington	8.5	16.1	2.8	4.9
North Durham	7.2	13.6	3.0	5.2
North West Durham	6.3	13.6	2.6	5.2
Sedgefield	6.8	13.6	2.8	5.4

More and Better Jobs

- 1 The ambition of More and Better Jobs is linked to the following key questions:
 - (a) Do residents have good job prospects?
 - (b) Is County Durham a good place to do business?
 - (c) How well do tourism and cultural events contribute to our local economy?

Do residents have good job prospects?

- 2 Our June 2020 employment rate has marginally increased which reflects the regional and national trends.
- 3 However, employment data is reported in arrears so we have produced an experimental estimate using regional data from the Labour Force Survey. This will allow us to fully understand the impact of COVID-19 on the employment rate. We have estimated the August 2020 employment rate for County Durham to be 70.6% which is below both regional and national rates and has yet to show any significant impact from COVID-19 due to the support provided by the furlough and income support schemes.
- 4 At the beginning of the pandemic there was a significant impact on the number of people claiming employment benefits and there are now nearly 10,000 more claimants aged 16-64 compared to September 2019. Since this initial increase between March and May, the claimant count has remained relatively static and currently stands at 6.6%. This trend is reflected both regionally and nationally, with County Durham currently having the third lowest rate in the region.
- 5 COVID-19 has significantly impacted youth unemployment. In the six months ending 30 September, 16-24 year old claimant numbers increased from 3,075 to 4,995 (+62%) – equating to a September claimant rate of 8.3% of the 16-24 population which is higher than both the same period last year (4.8%) and the national rate (7.6%), but is lower than the North East (9.1%).
- 6 Across the county in July, around one third of eligible employments were ‘furloughed’ (approximately 69,000 jobs) and three quarters of self-employed people were being supported by the Self Employment Income Support Scheme (approximately 14,800 people).
- 7 At the end of quarter one, the government announced changes to the furlough scheme – with a tapering down of support from the end of July to 31 October 2020 when the scheme was to be closed (80% wage support in August, 70% September and 60% October). The scheme has since been extended until the

end of March in line with a new national lockdown. However, once this support is removed we expect to see a significant impact on employment.

- 8 The national redundancy rate has increased to 8.2 per 1,000 employees (June to August) from 3.9 per 1,000 employees in March. The rate per 1,000 employees is higher for men than women (9.0 compared to 7.3).
- 9 A [survey of British businesses](#)¹ between 14 September and 19 September found more than a third of employers (37%) are likely to make staff redundancies in the next three months. Although latest data (July to September) shows UK job vacancies have increased (up 11% compared to June to August), it remains 42% lower than the same period last year.
- 10 Since its launch during quarter one, [County Durham Jobs Fuse](#) (an initiative with the National Careers Service and the Department for Work and Pensions) has continued to support both employees and employers in relation to downsizing. Various engagement methods are being utilised due to workers being furloughed and place-based visits aren't available.
- 11 Referrals to employability programmes, which are now being delivered digitally, have significantly reduced due to JobCentre Plus suspending the requirement for clients to attend employability courses and adopting a 'lighter touch' to job search activity.
- 12 During quarter two, at least 150 full time equivalent jobs were created by Morrisons at Dalton Park and 1,000 permanent and 1,500 seasonal jobs by Amazon at Integra 61 at Bowburn. In addition, recruitment has started for 100 jobs created to carry out the 2021 Census - as the first Digital First census, we expect three quarters of responses to be completed online, although paper copies will be available.
- 13 The County Durham Economic Partnership is assessing the economic implications of COVID-19 to assist businesses to restart and grow. It will focus on six key areas: business support, employability and skills, infrastructure, intelligence, strategy and lobbying, and communication. An update will be provided during quarter three.

¹ commissioned by the Advisory, Conciliation and Arbitration Service (ACAS)

MORE AND BETTER JOBS

(b) Is County Durham a good place to do business

Business Durham Activity	Jul-Sep 2020	Compared to last year
inward investments secured	0	2 ↔
businesses engaged	422	202 ↑
floor space occupied	93%	86% ↑
GVA from jobs created or safeguarded (million)	£16.2	£12.4 ↑

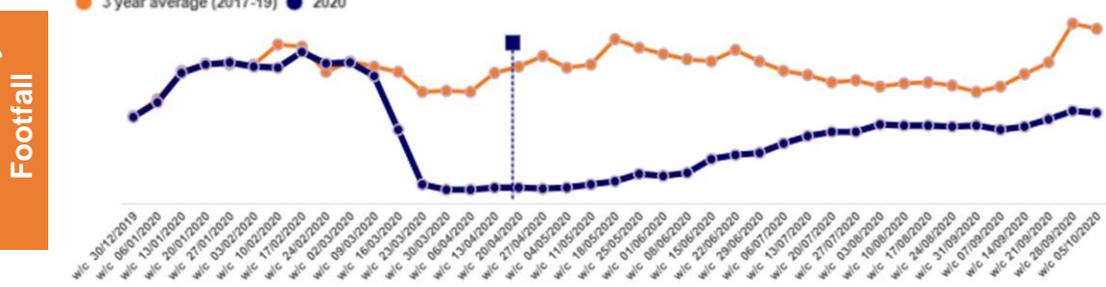
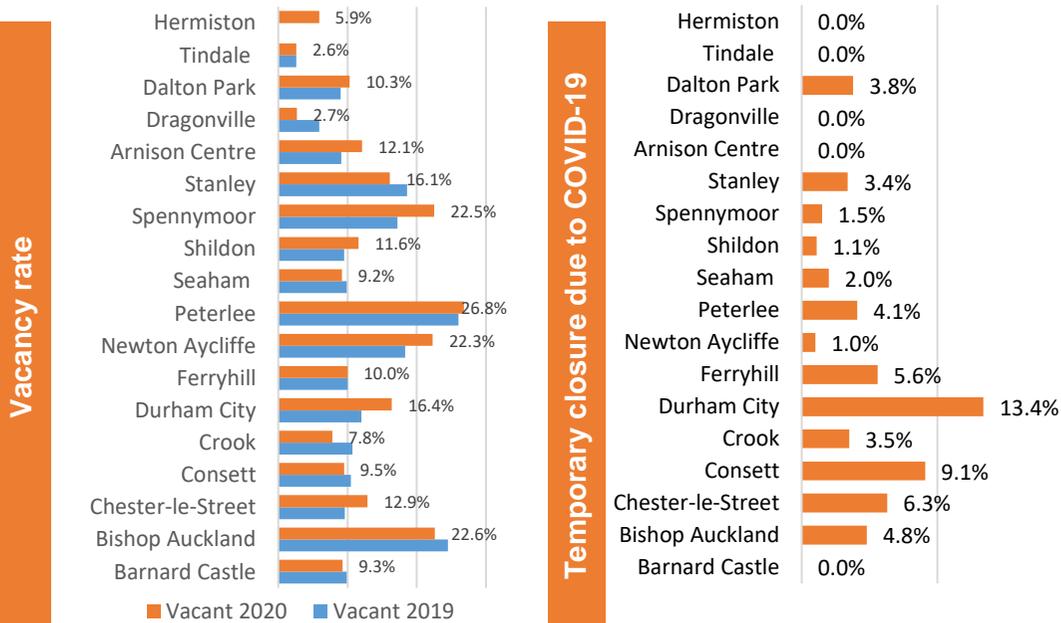
3 Target Business Improvement schemes completed

4 FTEs created / safeguarded

63 new businesses supported by Community Economic Development team

Jade Business Park complete

County Durham Plan approved



COVID-19 financial support to businesses (since March 2020)

Business Support Grants

Number of businesses

£'millions

8,862

99

Local Discretionary Grants

701

5

Business Interruption Loan Scheme

360

91

Bounce Back Loan Scheme

9,911

262

additional information on businesses is available via [Durham Insight](#)

Is County Durham a good place to do business?

- 14 The Council widened eligibility for the Local Discretionary Grants Scheme enabling hundreds more businesses to be supported across the county. Through this scheme we have awarded over £5 million to around 700 businesses.
- 15 Business Durham continues to support businesses through the pandemic and recently produced and circulated a Business Support brochure which signposts businesses to programmes that can help with their resilience and recovery plans.
- 16 The pandemic has resulted in more business engagement, partly driven by collaboration with Business Durham and our Revenues Team to expand the retail, hospitality and leisure and local discretionary grants.
- 17 During quarter two, two investments were made through the Finance Durham Fund to support business growth. £750,000 was invested in Growth Capital Ventures (GCV) to develop its three main business units and enable a move to larger offices within the county. £250,000 was invested in Power Roll, a developer of ultra-low-cost and lightweight flexible film, for energy generation and storage.
- 18 COVID-19 has prevented enterprise activity being delivered face-to-face. Consequently, Business Durham has developed a virtual delivery programme. 268 students were engaged online in relation to the Future Business Magnates (FBM) scheme – drawing to a close the FBM 2020 competition and recognising the students efforts. Virtual workshops launched the Durham Ambitious Business Starts (DABS) project in June and planning is underway for the first DABS Festival of Enterprise (online event 21-22 October).
- 19 The Durham City Incubator, an accelerator programme for entrepreneurs and growing businesses, received almost £250,000 from the European Regional Development Fund (ERDF) which will allow the project to continue until June 2023.
- 20 The completion of all remaining units at Jade Business Park in August has increased Business Durham's property portfolio by 20% and provided an additional 155,000 square feet of business floorspace. Although we remain cautious of the longer-term impact of COVID-19, further lettings are expected by the year-end.

- 21 Latest data showed there were 14,105 businesses across County Durham at March 2020 - 2.2% more than 2019. As the data is reported in arrears, any impact of COVID-19 won't be evident until the March 2021 data is released.
- 22 The 2020 town centre surveys were carried out during July/August after the national lockdown was lifted and town centres had reopened. The survey reported on the number of vacant units as well as how many appeared to remain closed due to the COVID-19 pandemic.
- 23 Some centres reported little change in terms of permanent vacant units, with some, such as Barnard Castle, Bishop Auckland, Consett, Crook, Seaham and Stanley, reporting fewer vacant units. Crook experienced the greatest fall in vacancy rates which perhaps reflects the recent investment of both Aldi and Lidl within the town centre.
- 24 Other centres experienced increases in vacancy rates. The largest rise was in Spennymoor - however this is mainly due to the re-development of Festival Walk and vacancy rates are expected to decrease when the re-development is complete. Durham City and Newton Aycliffe were particularly impacted by closure programmes of national retailer chains.
- 25 Outside of town centres, Dalton Park (Murton) has experienced a small rise in vacant units, as has Hermiston Retail Park (Consett). However, the 5.9% increase at Hermiston equates to one unit becoming vacant since last year's survey.
- 26 Temporary closures due to COVID-19 were particularly evident in Durham City, Consett and Chester-le-Street; whilst smaller towns, such as Barnard Castle, showed lower levels or no ongoing closures.
- 27 The town centre surveys will be repeated in November.
- 28 Research² has identified Durham City as having the fourth highest rate of shop closures in the UK with 21 shops shutting in six months. York was the worst affected, followed by Newcastle and Worcester.
- 29 The council has engaged with more than 600 retail businesses and is using feedback to develop campaigns to support retail operations and encourage shoppers into our towns. The campaigns will focus on shopping safely and seasonal opportunities.

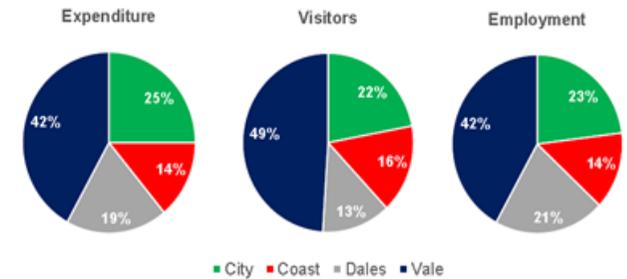
² by the Local Data Company

MORE AND BETTER JOBS

c) How well do tourism and cultural events contribute to our local economy?

STEAM data	2019/20	Compared to last year	Estimated impact of COVID-19
Visitors to County Durham (millions)	20	↑ +2.1%	-8 million (-41%)
Jobs supported by visitor economy (FTEs)	12,133	↑ +1.1%	-6,000 (-47%)
£ generated by visitor economy (£'million)	955	↑ +1.9%	-£445 million (-47%)

Sub-county breakdown (as a % of the county total)
 Source: VCD Presentation: Economic Impact of Tourism STEAM results 2019



Staycations – anecdotal evidence of increased demand for domestic holidays

<p>Durham Brass Online</p> <p>2,880 views</p>	<p>Onstage online</p> <p>4,123 views</p>	<p>Community Hub at Crimdon</p> <p>granted planning permission</p>
<p>Hardwick Park</p> <p>300,000 visitors (Apr-Sep)</p>	<p>Binchester Roman Fort</p> <p>reopened Aug 1,000 visitors (Aug-Sep)</p>	<p>Seaham Food virtual Festival</p> <p>457 views 38,000 reach</p>
<p>Auckland Castle Trust</p> <ul style="list-style-type: none"> Walled garden restaurant will not go ahead Spanish Art Gallery delayed 		<p>Heritage Open Days</p> <p>2,648 visitors</p> <p>15 participating venues 8 online / 7 in-person</p>

How well do tourism and cultural events contribute to our local economy?

- 30 Feedback to Visit County Durham in October 2020 highlighted that although 88% of tourism-related businesses are open or partially open, nine businesses are closing permanently and one is at risk of closure.
- 31 Latest economic data³ comparing to 2019, estimates that across the county visitor numbers will drop by 8 million (-41%), the visitor economy will support almost 6,000 fewer jobs (-47%) and £445 million will be lost in local economy spend (-47%).
- 32 Although all festivals and events since March have been cancelled, where possible we have held digital events. For example, [Onstage Online](#), held in June, showcased 16 acts with close links to the region.
- 33 Our theatres remain impacted by COVID-19. Although Bishop Auckland Town Hall re-opened its café and library functions in July, no performances or exhibitions are planned for the rest of the year. Both the Gala and Empire theatres remain closed until January 2021 (restrictions permitting). The Gala Theatre has secured funding from Arts Council as part of the COVID-19 Recovery Fund.
- 34 Durham Town Hall re-opened in July as a visitor attraction. Although visitor numbers were consistent over the summer, they dropped following the introduction of tighter local restrictions in September.
- 35 Auckland Castle Trust has furloughed 144 of their staff and will remain closed for the rest of 2020. Most developments are progressing as planned but the restaurant in the walled garden will no longer go ahead and the Spanish Art Gallery will be delayed
- 36 The Bishop Auckland Stronger Towns Board is scoping a number of projects to bid for funds, including a transport museum, a community art gallery, circular trail and a football museum.
- 37 In September, Durham History Centre was granted planning permission to restore and extend the Grade II Mount Oswald Manor House. A Phase 3 consultation on visitor expectations for the history centre has been undertaken over September/October.

³ Based on 30% of accommodation providers open during July and others opening by end of 2020

- 38 Our library pick and collect service was launched in July and has attracted more than 3,000 users, mainly adults, senior citizens and the carers or the cared for.

Connected Communities - Sustainability

- 39 The ambition of Connected Communities – Sustainability is linked to the following key questions:
- (a) Do residents have access to decent and affordable housing?
 - (b) Is it easy to travel around the county?

Do residents have access to decent and affordable housing?

- 40 Compared to last quarter, there have been increases in presentations to our Housing Solutions Service (+10%) and households where there has been an acceptance of the main homeless duty (+9 households). The main reasons for contact was financial difficulty, families no longer willing to accommodate and non-violent relationship breakdowns. However, the complex needs of clients alongside a reduction in available property is making it increasingly difficult to secure accommodation.
- 41 Clients from private sector accommodation increased compared to the same period last year. During quarter two, 80% of cases that required a Prevention Duty received Discretionary Housing Payment to alleviate their financial issues. We anticipate Prevention Duty cases will further increase around January and February 2021 as we move toward lifting of the eviction ban in March.
- 42 The length of time in temporary accommodation continues to increase. During quarter one, we worked with housing providers to actively move on clients but this has slowed down due to availability of stock, which was quickly exhausted, and restriction around non-essential moves. We have undertaken a review of temporary accommodation and appointed a temporary accommodation officer to work with providers to identify opportunities for move on.
- 43 We are working with Believe Housing to help clients make sustainable changes to reduce the risk of homelessness and live successfully in the community. There are 31 cases currently open, all of which are undergoing intensive work to look at preventing the need for eviction in the future.

CONNECTED COMMUNITIES – SUSTAINABILITY

(a) Do residents have access to decent and affordable housing

(b) is it easy to travel around the county?

Housing advice and support (Jul–Sep 20, compared to same period last year)		
406	properties improved, adapted or brought back into use	↓ 13%
3,063	households accessed Housing Solutions	↓ 8%
334	households helped to stay in their homes	↓ 0.5%
205	households helped to move to alternative accommodation	↓ 32%

No. of households supported under HRA	177 prevention	Average of 22 days spent temporary accommodation (Jul-Sep 20)
138 relief (within 56 days)	17 main duty to secure accommodation	
		107 'new' households placed temporary accommodation (Jul-Sep 20)



For additional housing information, visit the [Durham Insight Housing factsheet](#)

Bus passenger levels
55% pre-COVID levels
30% at Park and Ride (Durham City)

Overall traffic levels
85-90% pre-COVID levels

NE Transport Plan
seeking input from stakeholders prior to consultation in November

Traffic Levels (larger vehicles)	Sep-20	Sep-19	% of 2019
A689 Windlestone Hall	1,520	1,555	98%
A167 Chester-le-Street (Junction 59)	2,995	2,711	111%
A6076 Causey Arch	878	889	99%
A690 Crossgate Peth	1,257	1,257	111%



Cycling doubled across county

A167 Chester Moor up 300%

- 44 We are working with Believe Housing to help clients make sustainable changes to reduce the risk of homelessness and live successfully in the community. There are 31 cases currently open, all of which are undergoing intensive work to look at preventing the need for eviction in the future.
- 45 Our Housing Delivery Programme, to deliver up to 500 homes per year between 2021 and 2025, was approved in October.
- 46 Our proposed Selective Licensing Scheme, which will cover 42% of the county's private rented stock, has been submitted to the Secretary of State for approval.

Is it easy to travel around the county?

- 47 Bus passenger numbers are around 55% of pre-COVID levels which is in line with levels across the region. The number of passengers across our three park and ride sites in Durham City had returned to 50% of pre-COVID levels (August) but reduced to 30% following the announcement of additional lockdown measures in October.
- 48 Traffic levels overall remain at 85 to 90% of pre-COVID volumes (compared with the same period last year) and there has been little change since tighter restrictions were imposed across the North East. This trend is consistent across the North East, with Tyne and Wear currently at 86%. Peak hour traffic congestion and delay has not yet returned to normal levels. There has been an increase at the Neville's Cross side of Durham but this is most likely due to the bridge closure rather than economic recovery. We have seen an increase in traffic levels of larger vehicles since July and are currently at 100% or above 2019 levels.
- 49 On average cycling figures across the county have doubled, except for Milburngate Bridge in Durham City which was previously popular with commuters. Reported bike sales are up by 20%.

Key Performance Indicators – Data Tables

There are two types of performance indicators throughout this document:

- (a) Key target indicators – targets are set as improvements can be measured regularly and can be actively influenced by the council and its partners; and
- (b) Key tracker indicators – performance is tracked but no targets are set as they are long-term and/or can only be partially influenced by the council and its partners.

A guide is available which provides full details of indicator definitions and data sources for the 2019/20 corporate indicator set. This is available to view either internally from the intranet or can be requested from the Strategy Team at performance@durham.gov.uk

KEY TO SYMBOLS

	Direction of travel	Benchmarking	Performance against target
GREEN	Same or better than comparable period	Same or better than comparable group	Meeting or exceeding target
AMBER	Worse than comparable period (within 2% tolerance)	Worse than comparable group (within 2% tolerance)	Performance within 2% of target
RED	Worse than comparable period (greater than 2%)	Worse than comparable group (greater than 2%)	Performance >2% behind target

National Benchmarking

We compare our performance to all English authorities. The number of authorities varies according to the performance indicator and functions of councils, for example educational attainment is compared to county and unitary councils however waste disposal is compared to district and unitary councils.

North East Benchmarking

The North East figure is the average performance from the authorities within the North East region, i.e. County Durham, Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar and Cleveland, Stockton-On-Tees, South Tyneside, Sunderland.

More detail is available from the Strategy Team at performance@durham.gov.uk

MORE AND BETTER JOBS

Do residents have good job prospects?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
1	% of working age population in employment	72.1	Jul 2019-Jun 2020	73 RED	74.1 RED	76.4 RED	71.8 GREEN	74.1 RED		Yes
2	Per capita household disposable income (£)	16,542	2018	Tracker N/a	15,875 GREEN	21,609 RED	16,995 RED			No
3	Number of gross jobs created or safeguarded as a result of Business Durham activity	552	Jul-Sep 2020	Tracker N/a	412 GREEN					Yes
4	% of 16 to 17 year olds in an apprenticeship	6.8	as at Jun 2020	Tracker N/a	7.8 RED	5.1 GREEN	6.9 AMBER	6.9 AMBER		No

MORE AND BETTER JOBS

Is County Durham a good place to do business?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
5	Gross Value Added (GVA) per capita in County Durham (£)	16,763	2018	Tracker N/a	16,388 GREEN	29,356 RED	20,554 RED			Yes
6	Number of registered businesses in County Durham	14,105	Mar 2020	Tracker N/a	13,795 GREEN					Yes
7	Value (£M) of new contracts secured	249,325	Jul-Sep 2020	Tracker N/a	0 N/a					Yes

MORE AND BETTER JOBS

Is County Durham a good place to do business?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
8	Value (£M) of GVA growth from jobs created	16.2	Jul-Sep 2020	6	12.4					Yes
				GREEN	GREEN					
9	Number of Inward Investments secured	0	Jul-Sep 2020	6	2					Yes
				RED	RED					
10	% of Business Durham business floor space that is occupied	79.7	Jul-Sep 2020	Tracker	85.6					Yes
				N/a	RED					

MORE AND BETTER JOBS

How well do tourism and cultural events contribute to our local economy?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
11	Number of visitors to County Durham (million)	20.13	2019	Tracker	19.71					Yes
				N/a	GREEN					
12	Number of jobs supported by the visitor economy	12,133	2019	Tracker	11,998					Yes
				N/a	GREEN					
13	Amount (£ million) generated by the visitor economy	955	2019	Tracker	914					Yes
				N/a	GREEN					

CONNECTED COMMUNITIES – SUSTAINABILITY

Do residents have access to decent and affordable housing?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
103	Number of properties improved, adapted or brought back into use	406	Jul-Sep 2020	Tracker N/a	468 RED					Yes
104	Number of empty properties brought back into use as a result of local authority intervention	40	Jul-Sep 2020	50 RED	43 RED					Yes
105	Number of net homes completed	101	Apr-Jun 2020	Tracker N/a	401 RED					No
106	Number of affordable homes delivered	628	2019/20	300 GREEN	532 GREEN					Yes
107	Number of households accessing the Housing Solutions Service	3,063	Jul-Sep 2020	Tracker N/a	3,321 RED					Yes
108	Number of households helped to stay in their home	334	Jul-Sep 2020	Tracker N/a	336 AMBER					Yes
109	Number of households helped to move to alternative accommodation	205	Jul-Sep 2020	Tracker N/a	303 RED					Yes

CONNECTED COMMUNITIES – SUSTAINABILITY

Is it easy to travel around the county?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
110	% of A roads where maintenance is recommended	2.6	2018	Tracker	2.6	3	2	3	2018	No
				N/a	GREEN	GREEN	GREEN	AMBER		
111	% of B and C roads where maintenance is recommended	4.7	2018	Tracker	4.7	6	3	4	2018	No
				N/a	GREEN	GREEN	AMBER	AMBER		
112	% of unclassified roads where maintenance is recommended	21	2018	Tracker	20	17	16	18	2018	No
				N/a	AMBER	RED	RED	RED		
113	Highways maintenance backlog (£millions)	179.7	2018	Tracker	187.6					No
				N/a	GREEN					
114	Bridge Stock Condition – Principal Roads*	80.7	2018	Tracker	80.0					No
				N/a	GREEN					
115	Bridge Stock Condition – Non-Principal Roads*	79.9	2018	Tracker	81.0					No
				N/a	AMBER					

* Bridge Stock Condition (>=90 very good condition / >=80 good condition / >=65 fair condition / >=40 poor condition / <40 very poor condition)

Other Additional Relevant Indicators

MORE AND BETTER JOBS

Do our young people have access to good quality education and training?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
15	Average point score per A level entry of state-funded school students	35.5	2018/19 (academic year)	Tracker	33.4	33.1	32.8			No
				N/a	GREEN	GREEN	GREEN			
17	% of 16 to 17 year olds who are not in education, employment or training (NEET)	5.8	Apr-Jun 2020	Tracker	6.0	2.8	4.7			No
				N/a	GREEN	RED	RED			

CONNECTED COMMUNITIES - SAFER

Are we being a good corporate parent to Children Looked After?

Ref	Description	Latest data	Period covered	Comparison to						Data updated this quarter
				Period target	12 months earlier	National figure	North East figure	Nearest statistical neighbour	Period covered if different	
73	% of care leavers aged 17-18 in education, employment or training (EET)	67	as at Sep 2020	Tracker	64.8	64	63	63	2018/19	Yes
				N/a	GREEN	GREEN	GREEN	GREEN		
74	% of care leavers aged 19-21 in education, employment or training (EET)	56	as at Sep 2020	Tracker	64.6	52	50	52	2018/19	Yes
				N/a	RED	GREEN	GREEN	GREEN		