



**Economy and Enterprise
Overview and Scrutiny Committee**

Date Monday 7 December 2020
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 30 October 2020 (Pages 3 - 18)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Housing Update: (Pages 19 - 82)
 - (i) Joint Report of the Corporate Director of Resources and the Corporate Director of Regeneration, Economy and Growth.
 - (ii) Presentation by Strategic Manager for Housing, Housing Managers (Housing Solutions) and Policy Team Leader (Spatial Policy), Regeneration, Economy and Growth.
7. Minutes from the meeting of the County Durham Economic Partnership held on 17 July 2020 (Pages 83 - 90)
8. 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
27 November 2020

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, T Tucker, 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 **Friday 30 October 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, D Hall, T Henderson, J Higgins, S Iveson, L Maddison, R Manchester, R Ormerod, E Scott, P Sexton, T Tucker and M Wilson

Co-opted Members:

Mrs R Morris

Also Present:

Councillors B Avery, D Bell, O Milburn and F Tinsley and Mr T Bolton

1 Apologies for Absence

Apologies for absence were received from Mr G Binney. Apologies were also received from Members of the Environment and Sustainable Communities Overview and Scrutiny Committee, Councillors B Coult and K Hawley and Mrs P Holding

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The minutes of the meeting held 23 July 2020 were agreed as a correct record and would be signed by the Chair

4 Declarations of Interest

There were no Declarations of Interest.

5 Items from Co-opted Members or Interested Parties

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

6 Impact of COVID-19 on Regeneration, Economy and Growth Service - Overview

The Chair welcomed the newly appointed Corporate Director of Regeneration, Economy and Growth, Amy Harhoff who was in attendance to provide the Committee with an overview presentation in relation to the impact of COVID-19 on the Regeneration, Economy and Growth (REG) Service (for copy see file of minutes).

The Corporate Director, REG thanked the Chair and Members and noted she was delighted to attend her first meeting of the Committee and looked forward to the Members' discussion. She noted that there were a number of items on the agenda that related to the economic impact of COVID-19 and the activity across the county to support the resilience and recovery of economy. The Committee noted that the first report related to the more strategic impacts and the response of the Council with subsequent items looking at Business Durham and Visit County Durham in more detail, two critical areas as part of the recovery.

Members noted the report covered two key areas: REG as an area within the Council, what it was responsible for and some of the activities and impacts upon the business sector as part of the response to the pandemic; and strategically as regards the impacts across the county itself and the Council's support activities.

The Corporate Director, REG noted the report within the pack was "at a point in time" and she explained that the nature of the pandemic was such that the Council's ability to respond was quite different to any other issue seen before. She noted the difference between the responses to previous economic issues, recessions and the decline in industry, explaining the economic impact of the pandemic with the underpinning reason being a health crisis yet to be resolved. It was noted that regular updates on the recovery and resilience of the economy would be brought back to Committee.

The Committee noted the impact in relation to areas including: Transport; Culture and Sport; Tourism; Development and Housing; Corporate Property and Land; and Business Durham. The Corporate Director, REG referred to the report and presentation slides, highlighting the current context, areas that are doing well and the impacts on retail and hospitality sector. She informed Members of the impacts upon town centres, the visitor economy and transport.

She added that an Agile Resilience Plan had been developed by the Council with the County Durham Economic Partnership (CDEP) providing a pragmatic and positive approach to supporting the resilience of businesses and employees and comprised of four key priorities: Resilient Businesses; Resilient People; Resilient Visitor Economy and Resilient Town Centres.

The Chair thanked the Corporate Director, REG and asked Members for their comments and questions.

Councillor R Bell referred to town and village centres and to paragraph 29 of the report which stated the Community Economic Development Team had seen a shift in its work from project oversight to retail business support. He noted many schemes, such as Targeted Business Improvements (TBI), were time-limited and he asked if those schemes could be extended as many trades/contractors were very busy in terms of home improvement works and it was therefore difficult to get project works commenced. He added that in addition to extending schemes to ensure funds were not lost, he asked if it would be possible to further shape them in terms of the hospitality sector. Councillor R Bell noted he had raised these issues at an Area Action Partnership (AAP) meeting attended by the Head of Development and Housing and asked whether attendance at AAP meetings represented all of the consultation in respect of the Town and Villages Programme, a £20 million fund, or whether ideas from Councillors would also be taken into account and if plans for the spend would come back to Overview and Scrutiny.

Councillor T Tucker commented in relation to public transport connectivity to job sites, including to the development at Integra 61, many young people were unable to get to some locations to work night shift and could not afford their own transport. She asked whether investment in public transport was being looked at to enable people to access employment opportunities.

Councillor E Adam noted the report had not seemed to focus on small and medium-sized enterprises (SMEs) that were key for the County Durham economy, including the self-employed and asked what the impact of the pandemic had been on those types of businesses and what support had been taken up by our existing businesses.

The Corporate Director, REG noted, in respect of extension of time-limits, that where funds were directly within the Council's control, such as the town and villages programme, then they could be kept under review to be able to respond to the needs of businesses, adding that being able to spend funding within a given timescale was sometimes a challenge. She explained that where funding was not from the Council, such as from central Government, there were often tight timescales associated with this funding, noting an example being some infrastructure funding associated with the pandemic having to be spent within six months.

She reiterated that where the Council had discretion it would keep timescales under review pragmatically, where the Council did not it was more of a challenge.

In respect of the Town and Villages consultation, the Corporate Director, REG noted AAPs had been given a strategic overview so they would have visibility in terms of the process, with that to be followed by more detailed workshops so that each AAP would have the time to talk in detail about their area and their aspirations for the funding. She added that a report would be brought back to Cabinet in the new year that would set out the proposals for the initial programme of investment.

The Corporate Director, REG noted in reference to public transport, and specifically at the Integra 61 development, that negotiations were ongoing with Amazon in terms of supporting shift patterns outside of normal public transport operating times and that she would provide an update to the Committee. In reference to SMEs, she noted that with over 11,000 SMEs across the county it was a very important area, it would be important to look at a more detailed analysis and would be an area to undertake further action with a focused piece of work. She also commented that she would share the focused piece of work with the Committee.

Councillor E Scott asked as regards how town and village support was prioritised, with not all towns and villages being impacted equally and not all business sectors being impact equally.

Mrs R Morris asked as regards the resilience plan, in particularly in terms of the “skilling up” of young people and asked what type of skills would be developed with young people and with groups identified to help those young people. She also asked as regards what training there would be in terms of ensuring the right pathways into employment, noting jobs in areas such as digital, environmental and climate change would be important going forward.

Councillor B Avery noted his thanks for the work and efforts of leisure centre staff during the pandemic, however, he noted that he had not seen the numbers coming back to use the facilities since reopening and asked what work was being undertaken to encourage people to return to using leisure centres.

The Corporate Director, REG noted in terms of priorities, the next step would be to understand the drivers for decline within each town, noting the losses in the high street impacting Durham City, and to engage with businesses and to look where the Council had priorities and investments that could support them. She added that there was work to do in terms of town centres to ensure that a very strong case was put to Government in terms of the significant levels of investment that would be required. In respect of skills, she agreed it was an important issue and that the areas highlighted of digital and climate change were important, as well as the county’s strength in manufacturing, and it was important that young people had the skills to access jobs in those areas.

The Corporate Director, REG noted as part of the work in the next phase, within the rules relating to skills funding, there would be a focus on making sure packages were tailored to enable young people to be able to access jobs.

In terms of leisure centres, the Corporate Director, REG explained that they were, on average, at 60-70 percent capacity partly as a result of demand, partly as a result of measures to ensure social distancing. She noted that there was a fine balance in terms of encouraging people to use the Council facilities, important for communities and the viability of the centres, but also in terms of the public health message. She added that communications were regularly put out and aimed to strike a balance in terms of encouraging use and balancing demand at centres, noting that could be reviewed and a further update could be provided to the committee on leisure in the future.

Mr T Bolton noted the lockdown had highlighted the opportunities for people to visit locations within the county, for example the heritage coast at Seaham, and he had noted an upturn in the number of visitors to such locations including Teesdale and Weardale. He asked as regards Visit County Durham, and partners, were they looking at the opportunities in respect of selling the outdoor assets within County Durham that were accessible during the pandemic.

Councillor J Atkinson noted information and advice relating to the pandemic would often change and be updated and asked if there was any summary or link to information which could be provided to help businesses.

Councillor F Tinsley noted the information in respect of a 50 percent reduction in bus use and asked as regards how those providers were being supported on a daily basis, and more strategically in terms of quality contracts and reregulation of the industry, noting the renationalisation of some parts of the train industry. He noted a recent report by the House of Commons Library in terms of regional economic indicators which had shown County Durham had taken a 12 percent hit to its Gross Value Added (GVA) figure as a result of COVID-19 and suggested that County Durham would not recover back to its quarter four 2019 GVA figure until 2030, he asked for the Corporate Director's view on that assessment.

The Corporate Director, REG noted the outdoors spaces of County Durham were promoted and agreed there were many fantastic assets accessible during the pandemic such as High Force and the beach at Seaham. She noted a balance was struck in terms of encouraging safe visits and "staycations", and to encourage County Durham residents to visit those outdoor places. It was noted a caveat was to respond in terms of health guidance from Government and to movement between areas. In respect of the amount of information and changing advice relating to the pandemic for businesses, the Corporate Director, REG noted the hard work undertaken to put out coherent messages, adding that she would welcome feedback on communication.

The Corporate Director, REG noted in terms of bus use that the Council had very close relationships with bus operators and reminded Members that the Council was responsible for the commission of where it subsidised services.

She added that the Council worked to ensure as much service and network cover as possible, within the confines of the funding. She noted it was vital to maintain the funding of that critical service, especially given around one in three of the population did not have access to a car. The Corporate Director, REG noted in terms of the strategic level and regulation of bus services, the Council continued to work with operators to make sure services were good across the county, noting strong satisfaction levels from the public of around 90 percent. She added there were no specific plans in the county in terms of looking at re-regulation, though there was provision with the appropriate Act to look at the issue under certain circumstances.

The Corporate Director, REG noted the issue relating to GVA and recovery and 12 percent being a significant number, however, while it was possible to have credible estimates, she explained that there was a lot of work to be undertaken looking at County Durham locally to understand the impact and it would be important to push hard to ensure it was not 2030 by the time the economy returned to the 2019 level.

Resolved:

- (i) That the content of the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report, detailing the impact of COVID-19 on key areas of the Service Grouping, at a future meeting.

7 Business Durham - Progress Report

The Chair welcomed the Managing Director (Interim), Business Durham, Sarah Slaven who was in attendance to provide the Committee with a progress report relating to Business Durham (for copy see file of minutes).

The Managing Director (Interim) gave a presentation setting out the 2019-20 performance of Business Durham, activity highlights, and the impact of COVID-19 and support for businesses.

She noted the high levels of occupancy of Business Durham units and highlighted the number of jobs created and safeguarded by Business Durham, 2,108, with around 40 percent of those being new, 60 percent safeguarded. It was explained that 1,040 businesses had been engaged with, with 403 intensively assisted. Members noted information relating to £3.4 million of funding secured for businesses, inward investment, contracts, start-ups and enterprise engagement, including activities such as the Future Business Magnates programme.

The Managing Director (Interim) noted activity at Jade Business Park with good levels of interest in remaining units and explained as regards European Regional Development Fund (ERDF) programmes including: Digital Drive County Durham; the County Durham Growth Fund; Durham Business Opportunities Programme (DBOP); and the Durham City Incubator (DCI). Members learned of the South Africa Trade Mission undertaken in 2019 which had generated over £500,000 worth of contracts, however, for 2020 a virtual mission was held in September, with over 80 companies participating with a “return” virtual mission taking place on 5 November for companies in the North East to find out about opportunities within South Africa.

The Committee noted activities undertaken in terms of supporting businesses in the wake of the impact of COVID-19. The Managing Director (Interim) noted the previous presentation and gave information relating to; occupancy levels holding up well; some sectors seeing opportunities to expand; 654 businesses being engaged since April; support being offered in relation to grants and advice; a COVID Business Support Brochure; business restructuring support; the rapid response service; start-up capacity; and future opportunities.

The Chair thanked the Managing Director (Interim) and asked the Committee for their comments and questions.

Councillor T Tucker asked as regards confidence in the enquires in relation to investing in County Durham, the interest in units at Jade, Integra 61, the proposals for Aykley Heads, and how enquires were turned into investments.

Councillor F Tinsley asked, given the importance shown in respect of ESF and ERDF programmes and only having 30 months left of that funding, what evidence there was in terms of Government replacing EU funding and whether bids to the Shared Prosperity Fund (SPF) were able to be placed yet. He added that it was important not just to replace what the County had received in terms of EU funding, with County Durham being a transition region but in addition the GDP of the County would have fallen below 75 percent of the EU average and therefore County Durham would have been eligible for further EU funding. He asked as regards any evidence in terms of Government not only replacing what County Durham got in terms of EU funding, but also in terms of what the County would have got had the UK remained a member of the EU.

Councillor P Sexton asked as regards how difficult was it to be able to change strategies based upon the data received, being able to change trajectory and strategy to be able to optimise efforts in a very difficult environment.

The Managing Director (Interim) noted the units on offer at Jade and Integra 61 were aimed at providing manufacturing units, with those enterprise zones in other areas of the region offering office space having known issues in terms of occupancy.

She noted that the offer in County Durham played to existing strengths in terms of manufacturing and was reflected in the types of inward investment enquires being received. She noted she had some confidence in terms of enquiries and noted the support in place, including the County Durham Growth Fund, that could help support an inward investor.

In relation to EU funding, the Managing Director (Interim) noted there had been no guarantees as regards Government replacing those funds and it had been hoped that information relating to the Comprehensive Spending Review (CSR) would have been announced, however, the pandemic had impacted upon the timescale for the CSR. She noted that it would be important to be able to demonstrate that County Durham had made best use of the available funding to date and to have proof of how it had made a difference in terms of jobs created and the productivity of businesses. She noted that in terms of planning, it was very different to previous challenges, the current situation being driven by a health crisis.

She explained that the Council's support programmes were aimed to be as flexible as possible, noting that early in lockdown an exercise had looked at all the offers for businesses and how they could be refocussed in terms of what businesses were likely to need as a result of the pandemic. Members were reminded that businesses needed good information, access to markets and customers and a skilled workforce and therefore there was a need to be flexible in terms of the support being offered. She added that Business Durham, and the Council, needed to be aware of where there were gaps and to lobby Government where appropriate. The Managing Director (Interim) reiterated that there was a need to ensure we did not lose sight of the opportunities that there would be in the future by being so focussed on the immediate challenges.

Councillor J Atkinson asked if there was a contact where businesses and contractors could reach information quickly in relation to COVID-19 business advice and guidance. The Managing Director (Interim) noted that they could contact the Business Durham enquiry line and explained that in terms of the support offered to the self-employed, a strand for microbusinesses had been launched this month, through the DBOP, focussing on how to get new customers, supporting marketing and offering one-to-one advice.

Resolved:

- (i) That the content of the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee, as part of the refresh of the Committee's work programme for 2021/22, receive a further progress report on activity undertaken by Business Durham including support to aid recovery of the business sector resulting from the COVID-19 pandemic.

8 Visit County Durham (VCD) - Activity and Support Provided During Pandemic and Recovery Plans

The Chair welcomed the Managing Director, Visit County Durham (VCD), Michelle Gorman who was in attendance to provide the Committee with a progress report relating to the activity and support provided during the pandemic and recovery plans (for copy see file of minutes).

The Managing Director VCD, noted that she would normally present the Committee with an annual update on figures and progress against performance, however, this presentation would focus on the impact of COVID-19, the work undertaken to support the sector and future recovery plans. Members noted the destination performance information and the regional context in terms of the visitor economy and the projections for 2020 having: a 56 percent fall in economic impact, from £5 billion to £2.2 billion; a 48 percent fall in visitor numbers from 72 million to 38 million; job losses of 35,900, from 62,800 to 26,900.

She explained this would equate to a loss of 8.77 million visitors for County Durham, a drop of 45.5 percent in terms of spend in the local economy from £955 million in 2019 to £520.44 million in 2020, and a 46.1 percent fall in the number of jobs supported in the county, a loss of 5,587 jobs.

The Managing Director VCD, noted the support for the sector including working in partnership with industry partners, the County Durham Economic Partnership, Business Durham, teams within the Council, the North East Tourism Alliance, the North East LEP, sector bodies, and Visit England/Visit Britain. She added it also included; monitoring the impact of COVID-19 on the sector; lobbying for industry support; and regular e-mail communications signposting to Government and official sources of support, advice and guidance, funding and grant programmes, and industry training delivered by partners.

The Committee noted that other elements of support included: the COVID-19 content hub, updated daily; regular telephone calls to businesses; the weekly Wednesday Grapevine; B2B social media channels; training and support tailored to business needs; monthly strategic Partner meetings; virtual networking meetings; support for the travel trade and group travel; and an appropriate and responsive approach to destination marketing.

The Chair thanked the Managing Director VCD and asked the Committee for their comments and questions.

Councillor F Tinsley noted that while it was worrying that the number of visitors had halved, the spend had halved, and the number of jobs in the sector had halved it was important to understand how to get back from that position and asked whether new marketing strategies were being developed based upon what was anticipated the world would look like from 2021 onwards.

He also asked as regards a breakdown of “staycation” versus foreign visitors to the County and whether marketing was tailored to that. He noted the importance of language and students and as regards developments such as at Bishop Auckland and noted Government proposals to not allow travel into the UK using a European ID Card and advised that VCD should lobby Government on this issue as the additional cost of a passport may put off potential EU visitors post-Brexit.

Mr T Bolton noted in his local area, Teesdale, holiday cottages had welcomed many visitors since lockdown had been lifted. He noted those visiting would often bring their own food and supplies and asked if there were any links between the Council and holiday cottage providers, or an association, to be able to link local suppliers with holiday cottage providers.

The Managing Director VCD noted VCD was looking at new marketing strategies, with consumer behaviour having changed adding she felt the change was a permanent change. She explained that the short to medium-term trend of what people would be looking for included: outdoor tourism, health tourism; and activities and experiences with friends and family. She added that our own heritage and culture in County Durham would be very important and this was an area County Durham should continue to capitalise on. Members noted outdoors and heritage and culture were key propositions for County Durham to benefit from, as well as eco-tourism going forward.

The Managing Director VCD noted the North East did not receive a large number of international visitors, with only 3 percent of those international visitors visiting County Durham. She noted work with the North East Tourism Alliance, and Visit England and Visit Britain, in terms of trying to get international visitors to go beyond London and to visit the regions. She reminded Members of the marketing activities that had been undertaken by VCD over the last few years in this regard, including the Northern Saints Trail.

The Managing Director VCD noted, in terms of the point raised as regards EU ID Cards, VCD was working with North East Tourism Alliance in terms of lobbying Government on this matter on behalf of Destination Management Organisations and the Tourism industry, to ensure we were not at a competitive disadvantage compared to other global destinations.

In respect of holiday cottages, there was work undertaken with accommodation providers in terms of encouraging use of local food and drink suppliers and producers, under the “Taste Durham” initiative, noting there was an opportunity with the shift in consumer behaviour towards local produce.

Resolved:

- (i) That the content of the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes in its work programme for 2021/2022 a further progress report detailing the performance of Visit County Durham in marketing the county, continued support delivered to the sector and detail of further recovery plans.

9 Regeneration and Economic Growth - Quarter One - Forecast of Revenue and Capital Outturn 2020/21

The Chairman introduced the Finance Manager, Resources and Regeneration, Ian Herberson to speak to Members in relation to the Quarter One Forecast of Revenue and Capital Outturn 2020/21 (for copy see file of minutes).

The Finance Manager noted that the previous items had spoken to the impact of the pandemic and that this report would give the financial context, noting the teams and services within the remit of the Committee had been hit harder than most. He noted his thanks to the Corporate Director, REG and all the teams and staff that had provided regular information, in the context of how busy services were in terms of responding to the impacts of the pandemic, and monthly returns being required by Government in relation to the financial impact.

The Finance Manager referred Members to the information relating to Quarter One 2020/21 with the service reporting a forecast underspend of approximately £0.617 million, against a revised budget of £52.843 million. He explained paragraph four of the report noted a forecast of COVID-19 related expenditure of £16.210 million, offset by COVID-19 related savings of £4.213 million with more detail being set out at paragraphs 13-18 of the report. He noted the approximately £12 million was currently being funded corporately, either via central Government grants or corporate reserves, and therefore the COVID-19 related sums were excluded from the forecast.

As regards the Capital Programme, the Finance Manager explained that the lockdown had impacted upon the delivery of capital schemes, however, they were now picking up. He concluded by noting paragraph 14 of the report set out a breakdown of spend by Head of Service.

The Chair thanked the Finance Manager and asked Members to note that the Council's Head of Corporate Finance and Commercial Services, Jeff Garfoot had given a detailed report on the Council's finances at the Corporate Overview and Scrutiny Management Board held on 29 October 2020.

The Chair noted, however, that he had concern that a lot of issues relating to COVID-19 were uncertain and added that he felt that a fair settlement from Government was needed, to enable the Council to plan its services in relation to the challenges as mentioned by the Officers at the meeting.

Resolved:

That the report be noted.

10 Quarter One, 2020/21 - Performance Management Report

The Chair thanked the Corporate Scrutiny and Strategy Manager, Tom Gorman who was in attendance to speak to Members in relation to the Quarter One, 2020/21 Performance Management Report (for copy see file of minutes).

The Corporate Scrutiny and Strategy Manager noted his thanks to the staff within the services covered by the report for their cooperation in collecting the relevant performance information, especially given the increased pressures as a result of the pandemic.

He added that due to the temporary suspension of Council meetings, the report covered two quarters, quarter four 2019/20 and quarter one 2020/21. Members noted that COVID-19 had impacted upon the economy, as set out within the previous reports, and the Corporate Scrutiny and Strategy Manager reminded the Committee of key dates in relation to the pandemic, with lockdown being implemented on 23 March 2020, gradually easing throughout quarter one with 15 June being when high streets and shopping centres were allowed to reopen. He added that subsequent to quarter one, on 4 July the hospitality sector including pubs and restaurants were allowed to reopen. He explained that the UK had suffered the biggest slump on record, with GDP falling by 20.4 percent over the April to June period, the largest of any G7 nation, and as it was the second consecutive fall in GDP, the UK was officially in recession.

The Corporate Scrutiny and Strategy Manager noted that the fall had been sudden and dramatic and some of the national and official performance indicators had a significant time-lag, and while they indicated a trend, they had become less useful. He noted this had been recognised and therefore, where possible, local statistics had been developed to be able to provide Members with a more up-to-date picture in the absence of current national figures.

The Corporate Scrutiny and Strategy Manager noted the report followed the usual format and reported against ambitions within the Council Plan, as agreed by Council at its meeting held on 21 October 2020.

He noted in reference to the key question “do residents have good job prospects”, linked to the ambition of “more and better jobs”, that employment rate was an area where official statistics had a three month lag, and represented a rolling 12 month figure, and therefore it was unlikely that the true impact would be seen for a couple of quarters.

He explained that estimates had therefore been produced, based upon regional, monthly labour force survey data, and those changes had been applied to the County Durham employment rate and an estimate for the current rate was 70.9 percent for June 2020, below the regional and national rates. He noted the effect of COVID-19 was somewhat masked by the support packages put in place, such as the Government’s job retention scheme, with around 64,000 having been furloughed, with an increase of 5,000 in quarter two. Members noted that in addition to the furlough scheme, self-employed people accessing income support schemes totalled around 14,000 in quarter one, around 71 percent of those self-employed within County Durham, with this having increased by around 800 in quarter two. The Corporate Scrutiny and Strategy Manager noted the furlough scheme ended in October and therefore the impact would not be known until the following month and thereafter.

The Committee noted that estimates of unemployment were that it could rise to 27,000 by March 2021, from around 14,000 in December 2019. The Corporate Scrutiny and Strategy Manager noted that in relation to redundancies, the British Chamber of Commerce found nationally that 13 percent of respondents to a survey had been made redundancies since the start of the pandemic, with a further 33 percent intending to make redundancies over the coming months. It was noted the national redundancy rate had risen to 8.2 per 1,000 employees compared to 4.1 in the previous year. It was added that the claimant count rate had also risen, from 5.1 percent in March 2020 to 8.2 percent in June 2020, in line with regional and national trends in this regard, though it had remained static since that dramatic increase. He noted a 74 percent increase in universal credit claims by those aged 18-24 year on year, the report noting young people and women having been disproportionately affected. The Corporate Scrutiny and Strategy Manager noted that in response, working with the DWP, Jobs Fuse had been launched to help those unemployed as a result of COVID-19.

In relation to the key question, “is County Durham a good place to do business”, much of the activity had been covered by the Managing Director (Interim) in her report. He noted that the latest survey of businesses by the Office for National Statistics (ONS) had shown seven percent of industries had temporarily closed, and 15 percent had reported a 50 percent reduction in turnover.

The Corporate Scrutiny and Strategy Manager noted an increase in home improvements, many shops offering home delivery services, and diversification with specific mention within the report of JSB Enterprises diversifying into the production of PPE equipment and 170 new jobs being created at Seaham linked to the national track and trace programme.

Members were made aware of the work and measures in relation to the reopening of town centres, the delivery of leaflets to town centre businesses in respect of guidance on opening safely and webinars were held to help support the retail sector in terms of embracing online selling and finding new ways to market their products. The Corporate Scrutiny and Strategy Manager noted a recent news article that referred to Durham City as the fourth worst in the country in terms of vacant units, after York, Newcastle and Worcester, and from local surveys it had been noted that there was a larger impact in this respect where there were a greater number of national chains.

In respect of business support, it was noted grants totalling around £100 million had been distributed to around 9,000 businesses and a total equivalent to £49 million had been distributed in terms of business rate reductions. The Corporate Scrutiny and Strategy Manager noted there was a scheme for small businesses, not liable for business rates, and this represented an amount of around £5 million, benefiting around 300 businesses.

He noted that the previous report had detailed the information in relation to tourism and noted that in terms of housing, COVID-19 restrictions had meant some construction sites had to close temporarily, and therefore the number of homes completed had reduced. Members noted a reduction in presentations to the Housing Solutions service, however, that was expected to rise once the Government's eviction ban was lifted. Members were reminded of the discretionary housing payments and noted housing was an issue included within the work programme of the Committee.

In respect of travel, it was noted the Park and Ride service had been closed as a result of lockdown, reopening on 29 June, with a 50 percent reduction in use and there had been a reduction of patrons on bus services to around 10 percent of normal use, with services being affected as a result of reduced driver availability due to COVID-19.

The Chairman thanked the Corporate Scrutiny and Strategy Manager and asked as regards the infographic on page 116 of the report, noting a forecast of unemployment rising from 14,000 to 21,000 and asked if there were any figures relating to employability programmes available. The Chair also noted that schemes such as the Durham Ambitions Start-ups Scheme (DABS) would be vital moving forward, and detail of newly registered businesses during the pandemic may prove useful.

Councillor R Crute, Chair of the Corporate Overview and Scrutiny Management Board, noted the in-roads made in terms of highways repairs and backlogs and asked if there was any data in terms of footpath repairs. He noted that this linked to the Council Vision in terms of connected communities and also in terms of information from health colleagues that obesity was a factor in relation to increasing the severity of COVID-19 and therefore he felt the Council should be doing as much as it could to help keep communities as open and as accessible as possible through maintaining footpaths and encouraging residents to walk. He continued that he was concerned that the current condition of footpaths may be deterring residents from undertaking exercise by walking. He asked if there was any detail in relation to footpath maintenance that could be shared with Members.

Councillor R Manchester noted the reduced amount of people accessing the help of the Housing Solutions team, however, given that the Government ban on evictions would come to an end, he asked whether there was enough capacity in terms of housing supply.

The Corporate Scrutiny and Strategy Manager noted that in terms of unemployment, it was an issue not wholly within the remit of the Council to address and some of the schemes that were mentioned were in partnership and while he did not have figures to hand in relation to schemes and DABS, they could be circulated to Members. He added that it would also be an issue to consider whether what was being done was enough and that would be part of the resilience plan being developed in partnership with other agencies, which may be an area that the Committee may wish to look at further.

In terms of footpath statistics, the Corporate Scrutiny and Strategy Manager noted he would look into the issue and get the information for Members, adding that there was a backlog of repairs amounting to £179 million, and agreed it may be a case that priorities had changed in terms of people needing to use footpaths more.

In respect of the question relating to housing capacity, the service had undertaken work to estimate what the impact of the eviction ban coming to an end, whether this would result in a large number of people coming forward to access services and it may be appropriate to go back to the service for an update.

The Chair noted that roads and footpaths performance information would be available at the meeting of the Environment and Sustainable Communities Overview and Scrutiny Committee held on 16 November 2020.

The Principal Overview and Scrutiny Officer, Stephen Gwilym noted that there would be a further meeting of the Committee in December, with a focus on housing, which would include information relating to Housing Solutions, and therefore the query raised by Councillor R Manchester, whilst a response will be provided following this meeting more detail can be provided at the meeting on the 7 December. He added that by December there may be a better understanding of what the impact of lifting the eviction ban will be.

Resolved:

That the Economy and Enterprise Overview and Scrutiny Committee notes the overall position and direction of travel in relation to quarter one 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.

**Economy and Enterprise
Overview and Scrutiny Committee**

7 December 2020



Housing Update

Joint report of John Hewitt, Corporate Director of Resources and Amy Harhoff, Corporate Director of Regeneration, Economy and Growth

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee (E&E OSC) with an update on: 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.

Executive Summary

- 2 Members will recall that the committee has received regular updates on the development and delivery of DCC's Housing and Homelessness Strategies, work undertaken with the private housing sector and Registered Providers with the last update provided to committee at the meeting on the 27 January 2020. In addition, the committee has commented on the Selective Licensing scheme and received progress updates on its development with the last update provided to members in March 2020, with comments from Overview and Scrutiny fed back during the Selective Licensing scheme consultation period.
- 3 This report will provide an overview of the Housing and Homelessness Strategies for context and update on the partnership structure. The report also provides information from various housing managers responsible for delivery.
- 4 The County Durham Housing Strategy was adopted by Cabinet in July 2019. The Strategy was developed to consider housing issues across County Durham. It provides a strategic framework to inform the actions and investment of the council and its partners. The Housing Strategy contains a series of 'key messages' which serve to articulate the Council and its partners' housing delivery priorities and approach to addressing housing issues.

Recommendations

- 5 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided in the report and during the presentation.
- 6 That the Economy and Enterprise Overview and Scrutiny Committee includes a further update on the development of DCC'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.

Background

- 7 The E&E OSC have previously received progress reports and presentations on the Housing and Homelessness Strategies, work undertaken in relation to housing regeneration and empty home projects working with the private sector and work undertaken with Registered Providers. The last update was provided to members at the E&E OSC on the 27 January 2020. In addition, the committee has also received updates on the development of the proposed Selective Licensing scheme and provided comments as part of the consultation process which helped to inform the proposed scheme.
- 8 When considering the future work programme at the E&E OSC meeting 23 July 2020, it was agreed by members that the committee would receive a further progress update on the Housing and Homelessness Strategies, work undertaken in relation to housing regeneration and empty homes projects, detail of partnership working with Registered Providers and the further progress of the Selective Licensing scheme.
- 9 Arrangements have been made for a range of Housing Solutions managers to attend the meeting and deliver a presentation focusing on:
 - Housing Strategy
 - Overview of homelessness and response to COVID
 - Partnership working with Registered Providers
 - Private rented sector
 - Selective licensing

A copy of the presentation is attached as appendix 2.

Housing and Homelessness Strategy

Housing Strategy

- 10 The County Durham Housing Strategy was adopted by Cabinet in July 2019. The Housing Strategy was developed to consider housing issues across County Durham. It provides a strategic framework to inform the actions and investment of the council and its partners and includes a high-level Action Plan. The Housing Strategy has been developed to ensure Durham County Council is well positioned to maximise future opportunities for funding support. In this context, the Housing Strategy provides the evidence to identify issues within a housing context and a clear approach to address these issues.
- 11 The Housing Strategy contains four high level objectives for the Council and its partners. These are as follows:
 - a) To provide housing advice, assistance & support for older and vulnerable people;
 - b) To improve access to housing;
 - c) To deliver more homes to meet housing need and demand; and
 - d) To maintain and improve standards across County Durham's housing stock and wider housing environment.
- 12 The Housing Strategy contains a series of 'key messages' which serve to articulate the Council and its partners' housing delivery priorities and approach to addressing housing issues. First and foremost, the Housing Strategy seeks to put people first and to focus on the housing needs of the residents of County Durham. It is this principle which guides the content of the Strategy. The Housing Strategy 'key messages' include:
 - a) Raising standards across the private rented sector through seeking greater licencing powers in order to tackle poor landlords, as well as continuous engagement with landlords and the extension of the Accredited Landlord Scheme for responsible landlords
 - b) Delivering homes to meet the needs of older people within our communities and supporting people to live independently for as long as possible;
 - c) Working with those communities most affected by long term empty properties. This will include working with property owners and landlords with the aim of bringing empty properties back into use wherever possible;

- d) Maximising the delivery of affordable homes, both by securing developer contributions as part of new housing development and through close partnership working with Registered Providers and Homes England;
- e) The Council will seek to improving the quality of the county's housing stock and wider housing environment
- f) Support will be provided to all Forces personnel, reservists, veterans and their families in trying to secure a home;
- g) Appropriate infrastructure will be provided to accommodate for the impact of housing development on communities;
- h) New housing will be of a high-quality design
- i) Rural communities will be supported by enabling sufficient housing to meet local needs
- j) A strategic approach to preventing homelessness and increasing the supply of accommodation for those who are homeless or threatened with homelessness and working in partnership with other stakeholders to provide support to those with complex needs will be introduced
- k) Fuel poverty will be addressed through combining advice schemes and heating improvements and targeting interventions at those most in need.

Homelessness Strategy

- 13 Under the Homelessness Act 2002, all housing authorities must have in place a Homelessness Strategy based on a review of all forms of homelessness in their area. The Homelessness Act 2002 determines that the life of a strategy should be no more than five years and the action plan should be reviewed annually. The introduction of the Homelessness Reduction Act in April 2018 resulted in a revised Code of Guidance, this led to the Homelessness Review in 2018, the development of this revised strategy and how best to satisfy the new duties set out in the Act around service delivery. The purpose of this strategy is to set out the strategic approach, key priorities and actions to work towards preventing homelessness across County Durham over the next three years.

14. The homelessness and rough sleeping strategy includes four overall aims and an action plan for each aim.
 - i. *Aim one: To prevent homelessness through early intervention*
 - ii. *Aim Two: To increase access to and the supply of accommodation for those who homeless or threatened with homelessness*
 - iii. *Aim Three: To provide a range of support services to reduce the risk of households becoming homeless*
 - iv. Aim Four: To address Rough Sleeping through prevention, intervention, recovery and education.

Housing Solutions overview and headline statistics

15. Housing Solutions provides advice on a range of housing issues, from landlord disputes to homelessness. The service:
 - Assists with improving properties, empty properties and housing management standards;
 - Helps clients to access a home, and;
 - Enables clients to stay at home and live independently.
16. In 2019/2020 there were:
 - over **13,118** contacts made to the service
 - **2046** properties were improved, adapted or brought back into use
 - **212** properties were brought back into use
 - **541** helped to stay at home, and;
 - **993** helped to find alternative accommodation.

Selective Licensing

17. Consultation for the selective licensing proposals closed on 2 August. Nearly 1,200 questionnaire responses were received, with 59% agreeing that the Council should ensure the private rented sector is properly managed. 45% agreed with the selective licensing proposals.
18. Following consultation, a move was made to analyse data at Lower Super Output Area level (from Middle Super Output Areas presented at consultation). The change to smaller areas reduced the scheme coverage from the 74% proposed at consultation.

19. Cabinet approved the proposed designated areas for selective licensing on 16 September. 42% of the county's total estimated private rented sector homes are included in the final proposals (or 32% by area, 104 from 324 Lower Super Output Areas in County Durham).
20. Cabinet also approved a fee per property licence of £500, with discounts given:
 - £60 per property licence for early application,
 - £55 per licence if the applicant is accredited with the council or the National Residential Landlords Association, and
 - £35 discount per subsequent property application, if the landlord has multiple properties.
21. A submission to the Secretary of State is being prepared, with a decision expected back in Spring 2021. If the scheme is approved, a three month notice period will be given before licences are issued.

Service area delivery

22. An update will be provided to members regarding the delivery of the Housing and Homelessness strategies as well as an overview of service delivery.
23. A presentation from Housing Managers will concentrate on:
 - Performance of Housing Solutions and the homeliness service
 - The response to COVID
 - The private rented sector and how this has developed over the last year
 - Selective Licensing

Conclusion

24. Following consideration of the report and presentation members of the committee will be aware of: the Housing and Homelessness strategies, the services and support provided by Housing Solutions; the headline homelessness statistics and the preventative approach undertaken; housing regeneration and empty homes projects/initiatives undertaken and proposed in the county; partnership working with Registered Providers and progress made in relation to the proposed Selective Licensing scheme.

25. Members of the Economy and Enterprise Overview and Scrutiny will continue to monitor the progress of the Housing and Homelessness Strategies and the work of the Housing Solutions Service in addressing homelessness in the county, the various housing regeneration and empty homes initiatives undertaken in the county, partnership working with Registered Providers and the operation of the Selective Licensing scheme in the county. It is suggested that a further progress report is included in the committee's work programme for 2021/22.

Background papers:

Housing Strategy

Homelessness Strategy

Cabinet papers – key decision, Selective Licensing (16 September 2020)

Contact: Marie Smith 03000 264 724

Appendix 1: Implications

Legal Implications

Compliance with legislation

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

Economy and Enterprise Overview and Scrutiny Committee

7th December 2020

Housing Update

Altogether better



Content

- Housing strategy: Graeme Smith
- Homelessness Overview and Response to Covid: Marie Smith
- Rough Sleeping and Response to Covid: Marion Rucker
- Private Rented Sector: Marion Rucker/Alan Hunter
- Selective Licensing: Lynn Hall

Altogether better



The County Durham Housing Strategy: Graeme Smith

- Adopted by Cabinet July 2019.
- Developed to consider housing issues across County Durham.
- Provides a framework to inform the actions and investment of the council and its partners.
- Developed to ensure the council is well positioned to maximise future opportunities for funding support.



Altogether better



Housing Strategy Key Messages

- key messages include:
 - The Housing Strategy seeks to **put people first**.
 - The council will continue to focus on **raising standards in the private rented sector (PRS)**.
 - The Housing Strategy will deliver homes for our communities, and specifically plan to **meet the needs of our older people** and to support people to live independently for as long as possible:
 - The council will **work within those communities most effected by long term empty properties**.
 - The **delivery of affordable housing will be maximised**.

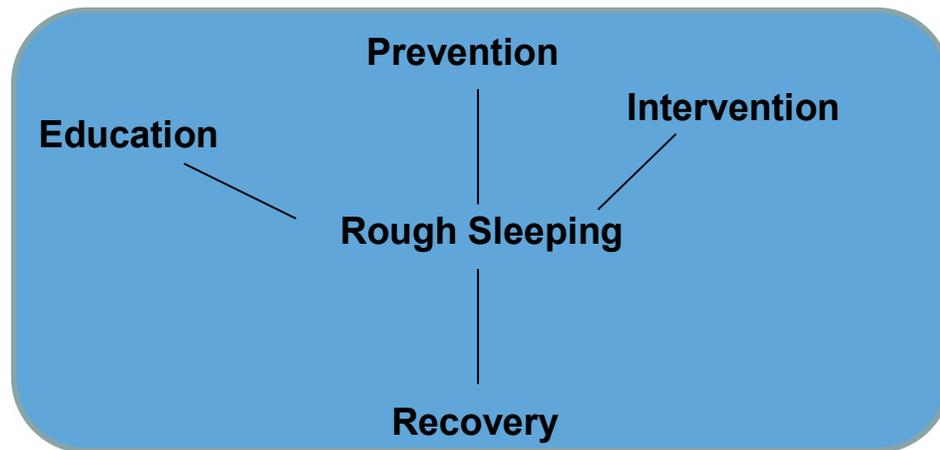
Homelessness Overview: Marie Smith

- Refresher on aims of Homelessness Strategy
- Headline Statistics for Housing Solutions
- Response to Covid
- Working with Registered Providers

Altogether better



Homelessness and Rough Sleeping Strategy 2019/2022



Altogether better



Progress

- Implemented duty to refer
- Hospital Discharge Protocol
- Working with Housing Providers and Private Landlords to increase supply of accommodation
- Clearer understanding of support needs
- Reviewed Service Offer for clients in financial difficulty
- Established a team to address rough sleeping

Altogether better



Headline Statistics for Housing Solutions 19/20

13,118 contacts to the service

2046 properties improved, adapted or brought back into use

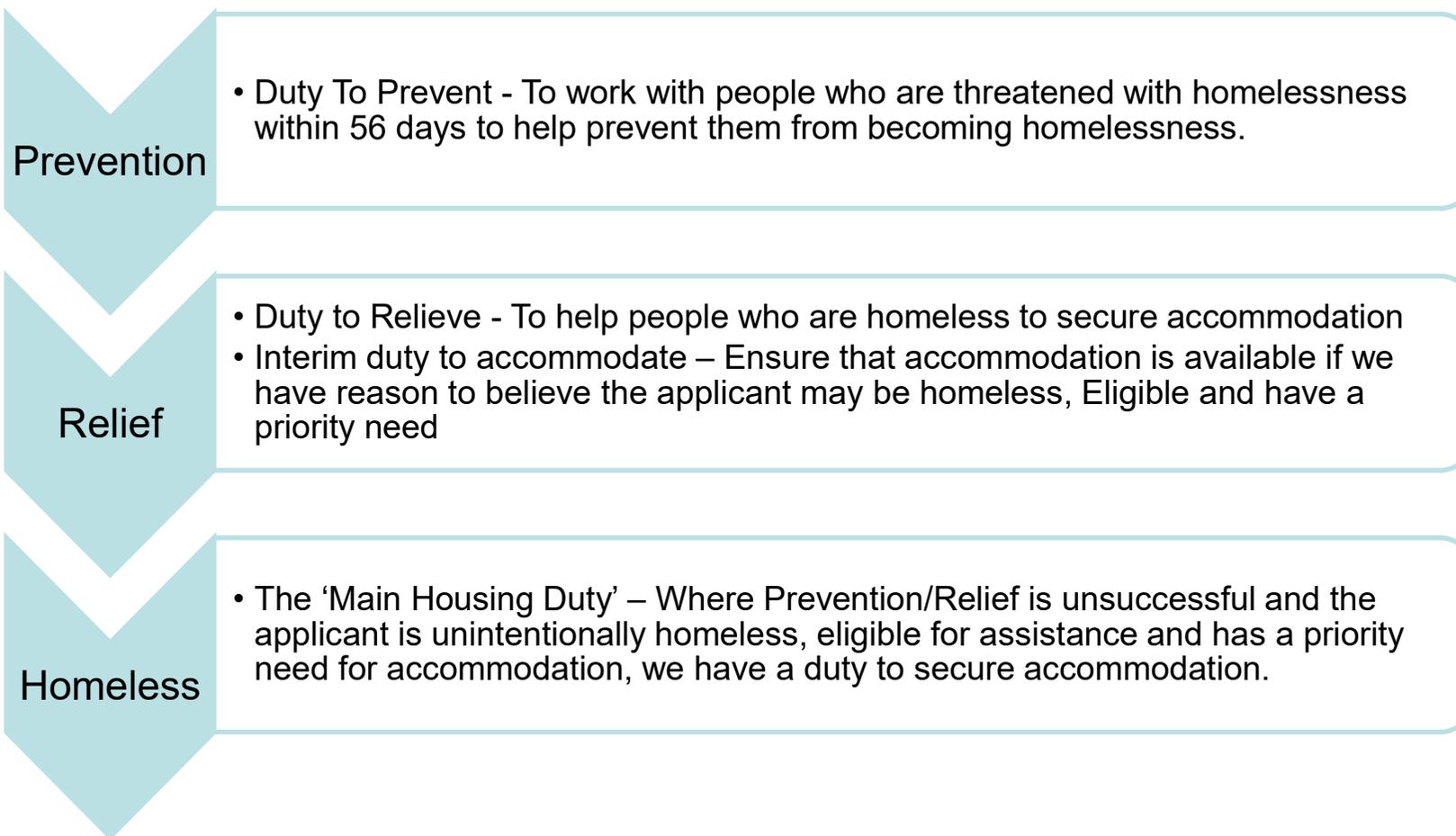
212 empty homes brought back into use

541 households helped to stay at home

993 households helped to find alternative accommodation

Altogether better

Homelessness Reduction Act



Altogether better

Headline Statistics for Housing Solutions

- **7511** presented as homeless, threatened with homelessness or in need of housing advice between 2019 -20
- Main client group requiring advice in Durham is single people
- The Service Offer for clients in financial difficulty has been reviewed
- Impact of the lifting of the eviction ban
- Working closely with corporate colleagues and partners

Altogether better



Presentations 2019/20

Assessment	Total Cases	% of Total
Threat of Homelessness	1,546	21%
Homeless	1,397	18%
Advice/Intervention	4,568	61%
TOTAL	7,511	

Homeless Applications 19/20

Assessment	Total Cases	% of Total	Prevented/ Relieved
Threat of Homelessness	1,546	21%	58%
Homeless	1,397	18%	39%

Altogether better

Prevention Outcomes/Performance

The new HRA duties require local authorities to take reasonable steps to try to prevent or relieve a household's homelessness by helping them secure accommodation for at least 6 months.

Prevention Duty Ended	
Leeds	5113
Manchester	2167
Haringey	2047
Leicester	1806
Cornwall	1607
County Durham	1591
Kirklees	1551
Bournemouth, Christchurch and Poole	1506
Lewisham	1472
Gateshead	1382

- In 2019/20, 1,591 households were assisted. Of which, 917 (58%) households secured accommodation for 6+ months
- Housing Solutions assisted 541 households to stay in their existing accommodation during this period

Relief Outcomes/Performance

This table shows the number of households whose relief duty ended and secured accommodation. County Durham is placed 17th out of all local authorities.

Relief Duty Ended with Accommodation Secured	
Sheffield	1287
Kingston upon Hull, City of	1164
Manchester	1111
Leeds	1099
Dudley	946
Bradford	846
Derby	828
Sunderland	726
Rotherham	719
Salford	690
County Durham (17th)	625

- Durham County Council assisted 625 households owed the relief duty, secure accommodation
- 159 (25%) cases secured accommodation in the private rented sector
- 447 (72%) cases secured accommodation in the social rented sector

Altogether better



Numbers with requirement to find accommodation

- County Durham has a total of 105 Main Duty Decisions in 19/20
- 48% Increase from Previous year
- Explore more accommodation options to be able to prevent or relieve at an earlier point

Altogether better



Headline Statistics for Housing Solutions 20/21

- **3548** presented as homeless, threatened with homelessness or in need of housing advice between April and September 2020
- Top 3 reasons for homelessness:
 - **899** End of Private rented tenancy – assured shorthold tenancy
 - **840** Family no longer willing to accommodate
 - **378** Relationship with partner ended (non- violent breakdown)
- Majority being single person households
- **582** threatened with homelessness within 56 days
- **840** homeless

Altogether better



Responding to Covid April to October 2020

Top 3 Presentation Reasons	
2019	2020
Family no longer willing or able to accommodate 1023	End of Private rented tenancy (AST) 1108
End of Private rented tenancy (AST) 970	Family no longer willing or able to accommodate 1023
Relationship with partner ended (non-violent breakdown) 447	Relationship with partner ended (non-violent breakdown) 453

Altogether better



Responding to Covid

- No increase in presentations during Covid
- New ways of working and prioritising case work
- Bed blocking concerns due to Everyone in and Eviction Ban
- Joint working with housing providers during lock down to facilitate fast tracked moves
- Developed an approach around private sector accommodation to streamline offers – Ready to Rent
- Rapid property matching also took place for priority cohorts – Prison releases, those in refuges
- Food Parcel & emergency furniture provision
- Case loads remain high due to the ongoing impact of the eviction ban and lack of accommodation available

Altogether better



Working with Registered Providers

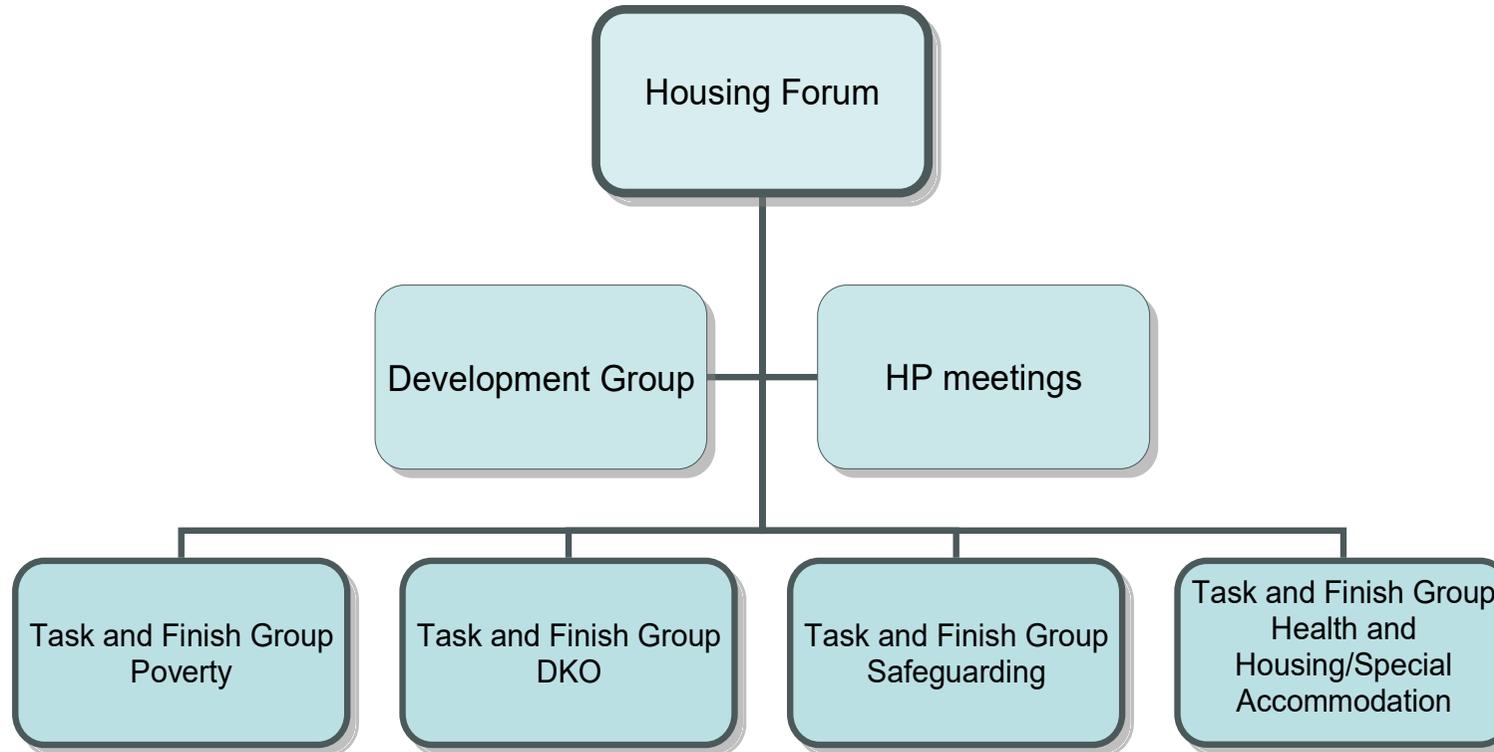
- Internal and external partnerships to deliver objectives
- Internally a Housing Board meets regularly:

Service area	Examples of remits
Regeneration and Development	Working with RPs and Homes England
Spatial Policy	Strategy development and building of homes
Housing Solutions	Private Rented Sector, Homelessness and Regeneration plans

Altogether better



Partnership Structure



Altogether better



Housing Response to Covid: Marion Rucker

Rough Sleeper Initiative

- DCC received £550 303.75 from Rough Sleeper Initiative to fund rough sleeping work:
 - Outreach
 - Substance Misuse
 - Tenancy Sustainment Officers
 - Prison Accommodation Officer
 - Somewhere safe to stay
- RSI4 opening shortly

Altogether better



Rough Sleepers

- MHCLG announced Everybody In on 27th March in a bid to house all rough sleepers
- The team have helped 97 rough sleepers (26/03/20 – 20/11/20)

Accommodation Type	Number
PRS/RP	50
TA	25
Supported Accommodation	15
Returned to streets/sofa surfing	7

Altogether better

Future Housing

- Successful with £852 130.00 NSAP funding bid:
 - Shortfall in HB
 - Tenancy deposits
 - 9-bed complex housing project
 - 5 Housing First units plus a complex work till 2024
- Future RSAP bids to refurbish existing DCC stock

Altogether better



Winter Night Shelter

- Working with North East Mission to open this year (Y3)
- Various COVID risk assessments
- Local Authority referral only
- Limited to 6 beds

Altogether better



Tenancy Sustainment Officers

- 2 officers have helped support over 90 clients that have rough slept
- Of entrenched rough sleepers:
 - 1 client has sustained a tenancy for 12 months
 - 12 clients sustained tenancies for 6 months

Altogether better



Private Rented Sector 2020/21: Marion Rucker

Private Rented Sector

- In line with strategy focused on improving standards in private rented stock
- Reviewed patches, aligned with EHO, to assist with targeted work, CATs
- Focus on knowing tenure, landlords, being a physical presence
- Refreshed on HHSRS training & ensure standards/processes link with Environmental Health

Altogether better



Ready to Let

- Issues securing accommodation during lockdown 1
- Worked closely with private landlords & lettings agents within guidance
- Pre-inspected properties & created a Ready to Let list
- Worked with homeless department & supported providers to allocate
- Ready to Let will continue as a direct let list

Altogether better



Stop b4u Serve

- Launched in August 2020 to help support landlords with evictions embargos under COVID
- Early Intervention scheme to mediate, assist with financial support, remind of tenancy conditions
- Request landlord holds notice for 28 days whilst we contact tenants & refer as necessary
- August – November 45 referrals, mainly rent arrears due to COVID

Altogether better



Private Rented Sector 2020/21: Alan Hunter

Empty Homes Team:

- Bring empty properties back into use;
- Investigate and respond to complaints;
- Identify owners;
- Provide financial assistance— move in grants and interest free loans;
- Advise, negotiate with and support owners; and,
- Use enforcement powers (as a last resort).

Altogether better



Key Achievements & Performance

- Achieved annual targets since 2016 with 831 properties brought back into use since then up to the end of quarter 2, 20/21;
- In 2019/20 brought 212 properties back into use;
- 99 properties brought back into use at the end of quarter 2, 20/21 (annual target 200) ;
- Provided financial assistance; 5 empty homes loans and 4 move in grants at the end of quarter 2, 20/21;

Altogether better



Key Achievements & Performance

- First enforced sale of a property at Witton Park;
- Assisted in recovery of council tax debt through partnership work with the council tax team; and,
- Undertaken successful interventions with several problematic empty homes.

Altogether better



5 Year Performance

	Q1	Q2	Q3	Q4	Achieved	Target
16/17	29	27	38	42	136	120
17/18	45	68	40	45	198	120
18/19	56	55	31	44	186	120
19/20	73	43	48	48	212	200
20/21	59	40				200

Altogether better

Recent Changes

- Recently there have been changes to the areas the officers cover; East, Central, South & North. This allows officers to gain a better understanding and local knowledge of the area and spend less time travelling between properties and localities;
- There has been a split in the job role between Private Landlord Officers and Empty Homes officers. They are now separate job roles; and,
- The new job role will enable a more focused approach to dealing with empty properties, both short term and long term.

Altogether better



9 Rose Terrace, Waterhouses



14 Station Road West, Trimdon Station



Altogether better

Moor Houses , Stanley. Before



Altogether better

Moor Houses, Stanley. After



Housing Regeneration Team

Is responsible for delivering neighbourhood, environmental and housing improvement schemes across the county, this includes:

- The co-ordination of investment in housing regeneration areas from Registered Providers, landlords, government departments, housing developers, and other funding sources;
- Estate regeneration and master planning role with key partners;
- Facilitation of community / steering groups in key areas;
- Developing bids and acquiring external funding to deliver innovative solutions to housing problems;
- Co-ordination of fuel poverty grants from the energy companies for boiler re-placements, insulation measures and EWI; and,
- Co-ordination of the Managing Money Better service to help reduce domestic energy bills.

Altogether better



Key Achievements & Performance

- In Partnership with Bernicia Homes facilitation of the continued regeneration of Dean Bank, Ferryhill;
- Enabling bungalow development in Chilton in partnership with Esh and Livin;
- Horden masterplan development and two rounds of community consultation;
- Consultation on and purchase of the former Easington Colliery Junior & Infant School;
- Delivery of several Group Repair schemes, most recently in Dawdon and Easington Colliery;
- Delivery of the Managing Money Better service;
- Successful bid for £600k from Homes England for Purchase and Repair Initiative;
- The development of Targeted Delivery Plans to assist with regeneration and delivery of the Housing Strategy;

Altogether better



Key Achievements & Performance

- Heat Hero Award for joint working with Clinical Commissioning Group for assistance to fuel poor households with ill health (10,200 patients contacted via mail outs);
- North East Council of Year Award for 4th highest uptake nationally of ECO grants and highest number of fuel poor households in NE Region assisted (19/20);
- Managing Money Better, 264 households received advice from the MMB service as at end of quarter 2, 20/21, saving almost £25,000 for households;
- 651 households assisted and £116,000 saved for households in 19/20;
- 251 properties benefiting from an energy efficiency measure at the end of quarter 2, 20/21; and,
- 6th highest uptake of fuel poverty grants nationally as at end of quarter 2, 20/21.

Altogether better



Group Repair Scheme - Before



Altogether better

Group Repair Scheme - After



Altogether better

Group Repair Scheme - After



Altogether better

Southmoor, Stanley – Housing and environmental improvements

Masterplanning : Sustainable Urban Drainage, Heritage and Energy Efficiency improvements



Altogether better

MMB project — Lynne Grange won the NEA's National Heat Hero Award for assisting fuel poor households



Altogether better



The Home Improvement Agency (HIA):

Provides advice, guidance and practical assistance to vulnerable people to help them remain in their own home for as long as they wish to do so.

Types of work 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.

Altogether better



Key Achievements & Performance

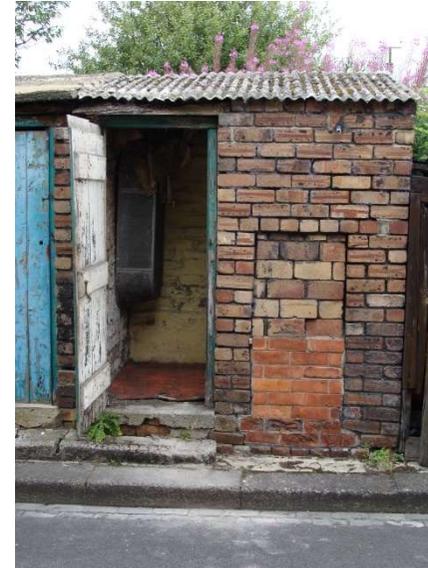
- Completed 289 Disabled Facilities Grants (DFGs) and 3 Home Improvement Loans as at the end of quarter 2, 2020/21 (annual target 552);
- Completed 628 DFGs and 6 Home Improvement Loans in 2019-20;
- Completed 557 DFGs and 13 Home Improvement Loans in 2018-19; and,
- Completed 579 DFGs and 10 Home Improvement Loans in 2017-18.

Altogether better



Case Study

Before



Altogether better

Case Study

After



Altogether better

Ongoing Projects

- Buy to Lease accommodation project;
- Horden masterplan;
- Former Easington Colliery Junior & Infant School;
- Targeted Delivery Plans;
- Chilton regeneration;
- Dean Bank regeneration;
- Facilitation of steering groups;
- Empty homes work;
- HIA ongoing assistance, advice and DFGs;
- Deliver and monitor the countywide Warm Homes Campaign;
- Co-ordination of fuel poverty grants from the energy companies for boiler re-placements and insulation measures;
- Co-ordination of Managing Money Better service to help reduce domestic energy bills;

Altogether better



Selective Licensing: Lynn Hall

Consultation response

- 1187 people responded to the online and paper questionnaire; over 300 emails and 50 letters were also received
- 40% of the questionnaires were completed by **Landlords** and 3% by **Letting Agents**. 20% were completed by **Private Tenants** and 41% by **Residents** (not private tenants).
- 59% of all respondents strongly agreed and agreed that DCC should ensure the private rented sector (PRS) is properly managed, and 29% strongly disagreed or disagreed.
- 45% strongly agreed/agreed with the proposed selective licensing proposals and 52% strongly disagreed or disagreed. Only 7% of landlords and letting agents strongly agreed/agreed but 78% of residents strongly agreed or agreed.
- 90% of landlords said the scheme would have a negative impact on them, 41% of tenants said it would have a positive impact with 32% saying negative mainly due to potential rent increases, and 67% of residents said the scheme would be positive for them.

Altogether better



Changes to the scheme following consultation

- Moved from Middle Super Output Area (MSOA) analysis to Lower Super Output Area (LSOA), to drill down in greater detail in all areas across the proposed areas.
- Reduced the coverage of licensing proposals in County Durham reflecting the more detailed analysis of the individual areas.
- Added a discount for those accredited by the National Residential Landlords' Association (NRLA) alongside the discount for accreditation by Durham County Council.
- Added a discount for landlords who have more than one property.

The earlier proposed discount, which we consulted on, for 'early bird' applications remains in place.

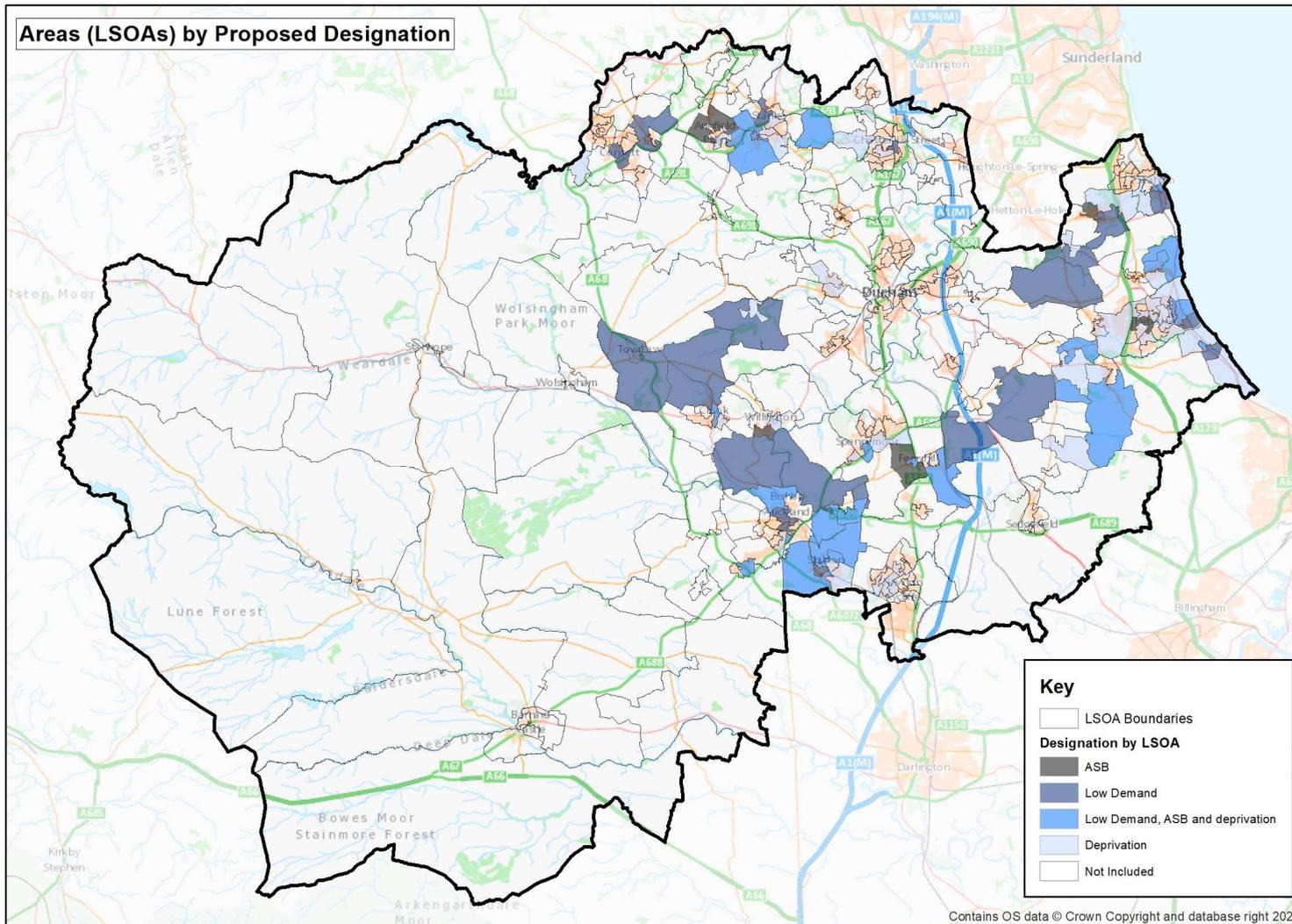
Final proposals for submission

- 104 LSOAs included from 324 (32%) covering approx. 28,000 (42%) of the estimated PRS stock in County Durham.
- Four designations, with areas meeting one or more of three conditions - low demand, anti-social behaviour and/or deprivation.

Altogether better



Final map of designated areas



Fee

- The fee is £500.
- With discounts, the fee will be as follows:

	First property	Subsequent
Early bird only	£440	£405
Accredited (NRLA/DCC) only	£445	£410
Early bird and accredited	£385	£350

Next Steps

- Submission to the Secretary of State November/ December 2020
- Decision expected within a few months
- Potential go live of Spring 2021 (following a three-month notice period).

Altogether better



Questions or comments?

Altogether better



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MINUTES

Meeting	County Durham Economic Partnership Board
Date of Meeting	Friday 17 th July 2020
Time	13.00 – 15.00
Venue	Online via Microsoft Teams

Attendees:

Simon Hanson (SH)	Chair
Sue Parkinson (SP)	Resources
Sarah Slaven (SS)	Business Competitiveness
Jon Gluyas (JG)	Ideas and Innovation
Michelle Cooper (MC)	VCS Voice
Dawn Fairlamb (DF)	People
Ray Brewis (RB)	Infrastructure
Tom Gorman (TG)	Durham County Council
Alison Gittins (AG)	Durham Business Group
Andy Bailey (ACB)	Partnerships, Durham County Council
Angela Brown (AB)	Partnerships, Durham County Council (minutes)

Speakers:

Vince Taylor (VT)	NECA/NELEP
Glenn Martin (GM)	Durham County Council
Helen Grayshan (HG)	Durham County Council

Apologies:

Amy Harhoff (AH)	Without Portfolio
Joanna Laverick (JL)	VCS Voice

1. **Welcome**

SH welcomed everyone to the first Board meeting since he took over as Chair. He gave a special thanks to Brian Tanner for all his hard work over the years. He thanked SP for chairing the last meeting.

SH mentioned that there would be a change to today's agenda as Amy Harhoff had diary clash so this item will now be from Helen Grayshan who will update on Green Growth for County Durham.

The aim of the CDEP over the next two years is to drive the recovery and regeneration of the County Durham Economy. We have some great assets right across the County and need to ensure we get the right support for the right people at the right time so we can continue with the economy recovery and drive it for the wider region.

We will be publishing a plan. There is a commitment to publish draft plan by the end of this month with a more formalised document in September, which won't be final as things will change and fluctuate

SH initiated round table introductions

2. **Revised Terms of Reference for CDEP Board**

The revised Terms of Reference were circulated with the papers and Board members were asked to read in advance of the meeting.

Action: The Board endorsed the updated TOR

3. **County Durham Green Growth**

HG gave a presentation to the Board on the low carbon and the economy work that is been carried out across County Durham. She works in the Low Carbon Team for DCC and they are closely linked to lots of partners in the area. She mentioned that this was a very fast-moving area.

There have been funding announcements around retro fitting of homes these are for homes in private ownership the funding pot is around £2bn. There is also funding available for public sector for things like swimming pools and libraries etc. A small pot of funding for social housing was also announced. There is Clean Growth Fund which is aimed at the private sector for innovation. The Green Jobs Challenge is largely aimed at the Voluntary and Community Sector. With all these funds we don't have much detail yet and are awaiting more announcements on how this funding will be implemented, she expects it with be primarily through the LEP's and not direct access. Still waiting for more detail on the Shared Prosperity Fund. The overall issue from Low Carbon team point of view is the lack of scale and speed from Government direction especially to retro fit.

As a Council we are reducing Council's own emissions through decarbonising buildings through operations. Plan is to be Carbon neutral by 2050. There are currently 111 and rising projects planned to deal with decarbonisation. Currently supporting businesses through BEEP project which has been very successful to develop heat clusters for small businesses, there are lots of projects on infrastructure and low carbon infrastructure and quite a lot of work has been done around Lobbying.

Current position aligns well with what Government have announced and we have built up a good picture so need to build on that.

Questions/comments

It was asked if the benefits are around retrofit of housing then what are the skills requirements are, we going to need to make businesses ready to take up opportunities, do we need to create supply for that demand. HG felt that skills are existing trades such as

building and roofing etc. To enable SME's in County Durham to get contracts with private household what the Government are saying is that they will fund up to 1/3 of the cost of retro fit. Good quality retro-fit costs around 10-15K so households could claim 5K, therefore it's about spreading the knowledge of the scheme to households. There is demand but we need to get supply chain opened quickly as Government want money spent within two years.

JG mentioned that he had a masters student working on 'what Durham has to do to try and meet the Climate emergency' over the past 9 months he was embedded in Council. The dissertation is nearly ready and will share this with everyone once it is complete. This will support initiatives to meet the net zero target.

4. NECA & NELEP Strategies

VT presented to the Board.

He introduced himself and mentioned he works for Sunderland City Council and NECA working across region with 7 Local Authority area on Covid Economic Response and Covid Recovery they have put together set of immediate actions put together for business side and for skills.

As soon as starting emergency response process you should be looking at recovery process as well.

Did scenario planning in April and the longer lockdown went on impacts for businesses would be more significant and knew redundancies would rise quite rapidly

Social distance – Constraints on businesses whatever the new normal would be the longer lockdown went on the more damage would be done. Another lockdown could cause permanent damage or scaring to the regional economy.

Are there opportunities for building back better? Putting together a framework for recovery for the North East and having that ready and beginning the dialog with Government about that so that the resources can follow and be deployed in the way we feel needs to happen.

He discussed the Draft Recovery & Renewal Deal; this is a plan will change as announcements are made.

He discussed the local impacts of the crisis so far:

- Footfall is down
- 97% of business have been impacted by Covid with 35% worried about potential closure
- People may have to start working more from home and paying more for things such as broadband
- Threat of people on furlough becoming unemployed
- There may be more young people entering the labour market that has just collapsed can be damaging
- Skills base is an issue

Need to diversify in some areas, there are great areas of opportunity coming up with things like low carbon and offshore energy, digital and other areas such as health and pharmaceutical.

Brexit in January gives a set of challenges. There will be changes in the rural landscape going forward with Brexit and Covid with subsidies being removed going forward.

Emerging Recovery Package themes that form basis for the package:

- Job Recovery
- Future Economy
- Supporting Businesses
- Community and Place

- Digital & Transport

Summary of what we need to put in front of Government for recovery and renewal deal. Not just about getting people into jobs its about boosting jobs. We need to be move to future economy with greener and digital as key.

We need to be making sure we have shovel ready schemes available that can be ready within 18 months then if Government make announcements, we can then be ready for it.

Questions/comments

RB - Have seen the full document and being asked questions from businesses about access to markets and growth. Earlier version of this were questions about exports etc. what does this mean for freeport?

VT – Best thing we can get is good free trade deal with EU. Freeport is not a replacement for that but maybe advantageous for region. The priority as a region we need to argue that the Government needs to get a good deal. Need economical rational for developing better trade.

TG – Leaders have asked us to come up with Performance dashboard for economic recovery and have developed something but keep getting asked the question of 'what does success look like'. Are we aiming to recover to pre covid levels? Do we regionally have some sort of projections?

VT – In presentation have the baseline for what we would like to do and have set out where the region needs to be. This won't be like it was before initially. There are big sectors of industry that become uncompetitive and won't survive. Possibly to rebuild but needs balance some sectors may take years.

SP – This response to Covid has come up on us quickly as part of larger trajectory which is a bigger issue for all of us which was there before covid climate change agenda and I know you mentioned in discussion building back better and greener I wonder if there are ways of thinking about framing this which give response to two crisis and not just one?

VT – Green matters so much. Building back to a better and greener place will look to see what can be highlighted in that and what can be included

GM – Appreciate that this plan has come about because of Covid emergency and most measurers are short to medium term is there a feel at regional level as to how fits other framework of strategies. The PM hasn't committed to the Industrial Strategy how does this fit in that framework and what might come from Government in the longer term?

VT – Shouldn't be separate to SEP and LIS this plan is constantly looking back at the SEP and LIS and seeing what is in there that would fit into this plan.

Have reassurance that the work done on LIS should be incorporated may need to refresh the SEP or LIS at some point. Have done some work with NECA Colleagues to see what the South of the Tyne area about and it is a productive part of the North East. Need to take forward longer term things within the recovery plan take us back to SEP and LIS going forward to get the North East to where it needs to be

SH reminded VT that from a partnership perspective can contribute and would like to contribute to the development of both plans at a wider level as well as NECA level so if there is anything please keep in touch

5. **Update from Business, Economy, Regeneration & Strategy Recovery Groups**

Comms – Sarah Slaven

A small group got together and meet every Thursday to look at coordinating comms. The group has mainly reps from Visit County Durham, Business Durham and Durham County Council but comms reps from partners are very welcome to join or feed into this meeting please let SS know. Looked at so far is to build up a timeline matrix trying to plot out what is likely to be happening between now and the end of the year in terms of announcements, key points in terms of furlough tapering off and to try and plan messages and good news stories that we might want to be putting out. It's in working progress at the moment but is something we would like to share with partners once complete. This will then be built into the recovery plan meant to be us as partners contributing to that. Idea of matrix is to have a more coordinated approach to what we as County Durham Partners put out in terms of messaging maybe making sure we are coordinated.

Key asks are if anyone has comms person within their organisation that they would like to loop into that please let me know. Also been doing work around key messages for recovery for County Durham that is almost ready to be shared with partners so will share this information. Tried to suggest link in the County Durham Vision and emphasis strengths of County Durham and its partners and organisations here. Feedback would be much appreciated.

We have a press release in development which will feature new Chair and how we will lead our recovery plans for County Durham through our existing Partnership.

Business Support – Sarah Slaven

We have had one meeting of the Business Support Workstream which was a scoping meeting. Been looking at what already doing, what else is needed what else can we do through existing programmes and resources, what are the quick wins and where do we need more resources or flexibility to be able to do things. After our first meeting we had some initial actions which we are progressing. Want to pull together into one place the totality of the offer. Want to have something that shows the whole offer that includes growth hub, local partners and through other regional partners, working progress to pull this together. There is an action to understand the regional offer and fact we know there will be extra funding coming through the NELEP e.g. is £10m kickstart tourism that was announced, even though we know the arrangements are not yet in place for businesses to access that its money that is coming through the ERDF national reserve pot, there will also be money for other sectors as well as Tourism.

There is action that is nearly complete for collating the redundancies support offer that we have in the County. There is big concern seeing rising number in redundancies, are we all clear what the offer is in the County and have we got enough capacity through that.

Piece of work to collate the start up offer, already seeing rise in number of start up enquiries and expect to see a lot more of that moving forward so have we got right offer.

As Business Support Workstream – identified in phase 1 about ensuring businesses have got information and support enabling them to restart, providing information and support to businesses and sectors most effected, making sure people facing redundancy have got access to support and businesses can refer their staff and increase confidence amongst businesses and consumers most of this work is underway. Moving into Phase 2 ensure County Durham Businesses have support they need to recover and retain jobs, how do we support businesses to adapt to take advantage of new opportunities, support those looking to start a business due to redundancy or change in circumstance and continue to increase confidence. Medium to long term recovery – taking advantage of the County's innovation

assets to support new economic growth and how building back better and greener can be translated into growth in the economy.

Have another meeting on Monday morning to have another look at this. Initially we said Business Support Workstream would look at the supply and demand side in terms of what businesses need and the employment and skills aspect. We now proposing we have a separate workstream to look at the actions on the Employment and Skills side. Suggest that Graham Wood and Linda Bailey hold a group around the Employment and Skills side and Business Support Workstream will still meet and then we will bring back together the BES Working Group to make sure we are joined up. Would like to make that recommendation to the Partnership.

Lobbying – Ray Brewis

The Lobbying plan we have drawn a flow chart put a little note about what Lobbying is about which essentially means is we need a plan to Lobby from. The ideas and the notions we need to do, and this has already been identified in the Workstreams the likely process that will follow leading to effectively key messages and key issues and things that are important to us. The Lobbying Plan can be built along side the overall plan as it goes forward its essentially how we get the comms messages out in the way we want and to the right people at the right time to hopefully be able to influence people who make the decisions that will help us down the line.

Infrastructure – Ray Brewis

What we have in pipeline is 273 projects, most of which are capital infrastructure with a few revenue projects in there. There are a range of partners projects but vast majority of Durham County Council projects and that is to do with the fact that the original source for the list was originally a County Council internal list. The majority of these are short term projects, projects that are in development. There is a huge lack across the County of long-term infrastructure conversation. Do need to keep developing and adding to the list. Have broken list down into what we think infrastructure might be so there are strategic employment sites, access to markets, resilience & inclusive growth, reimagining the high street, bridging the digital divide and embedding sustainable transport. We need to decide which of these are our priorities and which ones will deliver the benefits that we want from the activities that we want, and which ones are likely to be successful and what capital projects the Government want to fund. Just heard that the Autumn Statement is likely to have capital investment for offshore wind in it as a feature. In order to prioritise project list, we have broken them down to where the benefits are and ranked them as to where the benefits are likely to be. There isn't a lot on retail and isn't a lot that actively looks to supporting the visitor economy we still would welcome, something to help fill those gaps. The next steps are to find what those gaps would be and to develop the projects as we see those priorities coming through.

Intelligence – Glenn Martin

Have had two workstream meetings have been having discussion around stats and what is available. Some of the trends we are seeing is consistent with what we expected there are also gaps and some of the data is out of date. Have been looking at the Visit Co Durham and Visit Durham surveys which are very inciteful into what is happening in County Durham rather than just replying on national trends. Bringing this together there have also been meetings of the Local Resilience Forum which started just after the crisis started include police, ambulance and fire services and they are working on a framework for collecting information and one of the 3 strands of that work is focussing on Business and the Economy and there is questions now as to whether they need to continue taking about Business and the Economy in that Forum because their focus is really on Health and Community and Welfare issues. So they been looking at Economy as a separate issue within Durham County Council as well they have been trying to tie those two discussions together as there are lots of overlaps and so within the County Council there is a framework being developed

to collect and establish what data is most useful. Within those forums and the Economic Partnership Workstreams we have concluded that we need to frame the data collection around some questions and asks and some way forward. Looking at bringing these together and using a joint framework rather than duplicating effort so will keep people informed as the process develops.

6. Updates from Board members

JG – Durham Uni is expecting big financial hit in relation to Covid. Estimate of 100m over next 12 months or so. Adjustments have been made to deal with the situation.

The main impact is the expectation for the number of students who will be in the City of Durham is around 30% mark with expectation that there will be more home students proportionally than there will be overseas students. Until October comes, we won't really know what the situation is but are working on the basis of around between 25-30% across the board slightly lower for the overseas.

One of the fastest Universities to close and send students home the same true from staff nearly everyone is working from home now with a couple of essential staff on site. For the reopening we are looking at everything going online, and this will certainly be for the first term coming academic year with possibility of this going on for longer. In relation to students on site, there will be social distancing lecture theatres will only hold around 15% of normal case. So, will be having a much longer day as lectures may need to be repeated throughout the day to reach everyone.

Work going on with energy in local area is going very well. Mine Water heating and other projects which are already in progress. Have very successful largely local heat hub which has attracted 80-90 people including lots of SMEs and supply chain members should we manage to develop the heat system. National level – I wrote to chancellor with former local MP Helen Goodman at beginning of month saying heating bill for UK is met entirely with fossil fuels and mentioned who to decarbonise it and this not being considered in the Industrial Strategy copied in 6 local MPs, 3 whom have been in touch so that is going well.

DF – Transport – Government have announced that everyone can start using public transport straight away. Not sure what this means for 2m rule for bus companies. How will this affect getting students to school and college. Had a meeting with NEEC who were going to escalate this to see if they can get a response as to how buses intend to run this. So, while they have made the announcement of using transport, they haven't given any detail behind what that will mean.

College will open on 7th Sept and will be a model on flip learning. All students will come in, but they may be doing more digital and remote learning, will see how this goes and depending on Government Guidelines. They have welcome week for two weeks prior to this.

7. Any Other Business

SH asked if Friday afternoons were the best time for these meetings? If anyone would like this to change, we could look at alternatives if people requested – Next meeting is in for 6th November

SH thanked HG, SS, RB, GM and VT for work done and updates given today. Will get out top 3 actions and if you could let us know if we have got this right or wrong let us know.

8. Date and Time of next meeting – Friday 6th November 2020 at 1pm