



Economy and Enterprise Overview and Scrutiny Committee

Date Monday 18 September 2023

Time 9.30 am

Venue Committee Room 2, County Hall, Durham

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 (Pages 3 - 14)
4. Declarations of Interest
5. Items from Co-opted Members or Interested Parties
6. Strategic Sites - Update:
 - i) Report of the Corporate Director of Regeneration, Economy and Growth (Pages 15 - 40)
 - ii) Presentation by the Corporate Director of Regeneration, Economy and Growth (Pages 41 - 78)
7. Quarter Four: Revenue and Capital Outturn 2022/23 and Quarter One: Forecast of Revenue and Capital Outturn 2023/24 - Joint Report of the Corporate Director of Resources and the Corporate Director of Regeneration, Economy and Growth (Pages 79 - 100)
8. Quarter One 2023/24 Performance Management Report - Report of the Chief Executive Officer (Pages 101 - 170)
9. Minutes from the County Durham Economic Partnership Board held on the 14 June 2023 (Pages 171 - 182)

10. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Helen Bradley
Head of Legal and Democratic Services

County Hall
Durham
8 September 2023

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

Councillor B Moist (Chair)
Councillor A Surtees (Vice-Chair)

Councillors M Abley, A Batey, G Binney, R Crute, M Currah, D Freeman, P Heaviside, G Hutchinson, A Jackson, C Lines, L Maddison, R Manchester, J Miller, R Ormerod, I Roberts, K Robson, K Shaw, M Stead and A Sterling

Co-opted Members:

Mrs R Morris and Mr E Simons

Contact: Jo March

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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 in **Committee Room 2, County Hall, Durham** on **Monday 3 July 2023** at **9.30 am**

Present:

Councillor B Moist (Chair)

Members of the Committee:

Councillors A Surtees, A Batey, J Charlton, R Crute, M Currah, D Freeman, P Heaviside, G Hutchinson, R Manchester, R Ormerod, I Roberts, K Robson, M Stead, A Sterling, L Fenwick and C Varty

Co-opted Members:

Mrs R Morris and Mr E Simons

1 Apologies

Apologies for absence were received from Councillors G Binney, R Crute, C Lines, J Miller and K Shaw.

2 Substitute Members

Councillor J Charlton was present as substitute for Councillor C Lines. Councillor L Fenwick was present as substitute for Councillor J Miller. Councillor C Varty was present as substitute for Councillor K Shaw.

3 Minutes

The minutes of the Special Joint meetings held on 14 April 2023 and 5 May 2023 and the meeting held on 24 April 2023 were confirmed as a correct record and 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 Towns and Villages Programme

The Committee received a report of the Corporate Director of Regeneration, Economy and Growth which provided an update on the established Towns and Villages Programme (for copy see file of Minutes) and which:

- Set out the approach to delivery of the Towns and Villages Programme
- Highlighted the scale of current project activity underway and delivery completed during 2022/23
- Detailed the outputs achieved during 2022/23
- Noted links to wider programme delivery
- Provided a programme delivery timetable 2023/24 & 2024/25
- Provided target outputs to be achieved 2023/24

A Kerr, Head of Economic Development and G Wood, Economic Development Manager provided a detailed presentation which focussed on the following areas:

- Background
- Strategic Context
- Investment Plan
- Delivery to Date
- Outputs and Outcomes
- Case Studies
- Summary

The Towns and Villages programme is the main catalyst for place-based regeneration in communities across the county. It is a significant investment programme which leverages other funding opportunities through targeted spend and interventions in line with the approved Investment Plan.

It was confirmed that three separate reports in relation to the programme had been considered by Cabinet between 2018 – 2021 which set the programme principles, the five delivery themes and a full investment plan which was approved, with spend within the parameters. In addition, two full rounds of consultation with AAPs, identified local priorities and tested the investment plan assumptions. Town and villages task and finish groups were established within all AAPs to help guide expenditure. However, funding, delivery and planned works were reviewed as part of the Medium Term Financial Plan 13 considerations which had resulted in a continued commitment by DCC to the programme to move forward with the remainder of the spend.

In relation to the strategic context, members were informed that as part of the Devolution Deal, County Durham would benefit from the £48m per year investment fund with an initial £17m Brownfield Fund and new powers to drive regeneration including compulsory purchase powers, the ability to establish mayoral development

corporations, access to transport funding and various powers together with a specific rural element that would benefit County Durham. In addition, it was highlighted that the Inclusive Economic Strategy (IES) which centres around the five Ps with Place as one of the five Ps, Town and Villages Programme is one of the key drivers of that particular section of the IES and it was confirmed that the committee would be receiving and considering the draft IES Delivery Plan in September.

In relation to additional funding and investment it was confirmed that this totalled £94.2 m and it was confirmed that the Rural England Prosperity Fund and the Multiply Fund had both replaced previous EU funding pots. Detail was then provided of the various investment plan themes of Strategic Investments, Housing and Community, Environment and Health, Built Environment, Transport and Connectivity.

The thematic approach adopted by the programme allows a strategic framework for investment, which can align spend at a local level to locally defined priorities. It was explained that to the end of 2022/23, £6.3m had been spent and the next steps were to deliver the £12.9m committed spend and to work with local areas to prioritise the remaining £5.9m to create strong, successful communities across County Durham.

The Economic Development Manager then highlighted to members detail of the spend to date and committed under the respective themes, highlighting where there is funding remaining. In relation to outcomes, he highlighted that the programme had resulted in £20m match funding and had supported and guided wider investment funding of an additional £94m and had informed and supported the delivery of wider programmes including Reopening Your High Street, Welcome Back Fund, LAD Programme and the Communities and Place Investment Strand of the UK Shared Prosperity Programme 2022-25. He continued by confirming that a lot of match funding had flowed to areas in the county that would not have previously seen funding as a result of this programme and then highlighted the various activity focused on supporting the retail sector which had been delivered between April 2022 and April 2023.

The Economic Development Manager then highlighted the various outputs delivered as a result of the programme to improve towns and villages, encourage footfall and support retail in the county together with detail of the delivery of the programme by locations, showing a fair spread of activity across the county.

The Head of Economic Development then provided a summary confirming that £19m had been spent or committed to date, £20m of direct match funding from other funding programmes had been received, with an additional £94m of wider funding and investment in the county. He confirmed that the programme continues to be delivered in line with the established themes and the approved investment plan with the focus on delivery in deprived/left behind areas and linking development/investment packages to maximise impact. The focus is now very

much on delivering the £12.9m committed and allocating the remaining £5.9m with other funding pots such as the UK Shared prosperity Fund continuing to be looked at as future funding sources.

Councillor Sterling praised the good work that had been done but stated that spending on the digital high street was double than the spending on retail and believed that investing in retail was more important for town centres. In terms of her local area Delves Lane, Councillor Sterling explained that developments and events had been promised and asked when these were to be delivered.

The Economic Development Manager explained that in terms of the digital high street, this focussed partly on infrastructure and partly on resilience for businesses to help businesses become more independent and sustainable. The Economic Development Manager explained that the digital high street was more of a package and it was important to keep a balance between the different elements in the Programme. In terms of events, the Economic Development Manager explained that once town centres have had improvements, events are organised to encourage people to come and see the improvements. It was confirmed that works in Consett were planned to commence in July 2023 and an events programme would be considered following the completion of the works in January 2024. The Economic Development Manager agreed to keep Councillor Sterling updated with regards to this.

Co-opted member R Morris commented that it was important to fill empty units in town centres with the right businesses. The Head of Economic Development explained that the challenges facing high streets was an ongoing nationwide theme and advised that increasing the amount of leisure base uses and having a range of different uses, including residential accommodation, would help support traditional retail.

R Morris commented that in relation to empty units in our town centres, it is important to consider as to whether future businesses are viable, we need to ensure that businesses in our town centres are sustainable. She then went on to ask what the Towns and Villages Programme offered in terms of climate change and if new parking areas would be equipped with EV charging points. The Head of Economic Development explained that a corporate sustainability appraisal of the programme had recently been undertaken and he confirmed that EV charging points within car parks were included as a core element. He further advised that there had been investment into walking and cycling, and in terms of community resilience, energy improvements had been made to community buildings to help make them more sustainable.

R Morris further commented that in relation to green industries, we need to be looking at training requirements for the future and gave the example of retro fitting. The Economic Development Manager explained that they had worked with a range of leading edge suppliers for the green homes programme and that a range of

solutions had been considered. The Head of Economic Development noted that skills relating to this sector was an element within the Inclusive Economic Strategy (IES) and agreed to keep the Committee updated on this.

Councillor Robson asked what was being done in relation to the rollout of fibre broadband across the county as this could encourage business to locate to the county as well as increasing footfall in the town centres. He went on to explain that there had to be a reason to visit town centres, and whilst he appreciated that events attracted people, he stated that footfall after the event was not sustained. He expressed concern regarding his division of Newton Aycliffe, including land that was used as a multi storey car park and explained that the town was at risk of losing their bank and police station.

In response to Councillor Robson, the Head of Economic Development advised that the IES covered the need for fibre broadband in the county and he offered to contact the appropriate service and provide an update to the member. In terms of Newton Aycliffe town centre, the Economic Development Manager explained that the Towns and Village Programme considered the demands placed on town centres and assessed what uses should be included. In terms of Newton Aycliffe, the Economic Development Manager advised that discussions had taken place with owners in the town centre and they had put together their own plan which was put forward as a bid under round two of the Levelling Up Funding Programme. He advised that this bid had not been successful in round two but gave assurance that further discussions were taking place with regards to the car park and the relocation of the police station.

Councillor Batey was pleased to see that so many locations had benefited from the programme but expressed her disappointment with the lack of progression within the Pelton division. She advised that all properties within the village were occupied with a good range of uses but stressed that the village lacked the basic infrastructure with parking facilities inadequate. She continued that good projects had not been progressed and asked if the delays experienced were due to staff resources. The Economic Development Manager appreciated that some Members may feel that delivery had halted and explained that this was due to the size of the county, but he gave assurance that local need had not been lost in the programme and was hopeful that the necessary car parking facilities would be achieved in the lifetime of the funding. Councillor Batey went on to highlight that the Pelton division included the gateway to the coast-to-coast cycle track and explained that the carpark had been transferred on lease to Beamish Museum. She stated that she would like this car park to be enhanced and advised that discussions had taken place with Assets to transfer the car park back to the Local Authority and asked if the transfer could be progressed.

Councillor Varty expressed concern with bus services and noted that cancellation of services had impacted on villages. She also stated that in some parts of the county footpaths between villages had been lost. The Head of Economic and Development

advised that this was not within the scope of the Towns and Villages Programme but gave assurance that the Head of Transport and Contract Services was aware of these issues and that they had featured in the work undertaken on the IES.

In response to a question from Councillor Stead asking how Local Members could help feed into the delivery, the Economic Development Manager explained that Towns and Villages task and finish groups had been created and encouraged Members to engage with Area Action Partnerships (AAPs) and feed into these groups.

Councillor Freeman asked if an update could be provided regarding round three levelling up bids. The Head of Economic Development agreed to provide Councillor Freeman with a written response.

Councillor Surtees emphasised the importance of maintaining the social fabric of communities to improve the resilience of local communities. She expressed concern around the lack of communication Members had received regarding both strategic delivery and local delivery. She continued that some members have received a check list in relation to the delivery of the programme in their local area however other members have not received a check list and she highlighted the need for consistency in the information provided to members. She asked for confirmation as to whether private sector housing featured in the programme. In terms of private high street landlords, Councillor Surtees expressed concern regarding the use of public money to support private enterprise, commenting that private landlords often don't work with the authority and keep costs high, referencing Peterlee and stated that public money should be spent on public services and investment.

In response to Councillor Surtees question regarding the housing agenda, the Head of Economic Development explained that there is a strand within the Housing Strategy in relation to working with the private sector. With regards to the area of Peterlee, he accepted that this had been a challenging area but explained that they were working collaboratively to leverage investment. The Economic Development Manager further added that there were no large-scale grants available for institutional owners and all other grants were bound by subsidiary control. He further advised that investment into retail premises had generated investment from private businesses.

The Economic Development Manager continued that the authority is bound by rules and regulations when working with the private sector and commented that the grant support provided has resulted in the dividing up of larger properties/premises into smaller units which are currently very much in demand, this has assisted with vacancy rates.

Councillor Surtees asked for further information regarding checklists for the programme that related to specific villages. The Economic Development Manager clarified that the Towns and Villages Programme did not have a checklist but with

regards to communication, he agreed that further update would be brought to future meetings of the Committee providing detail of how it is delivered. It was noted that when officers visited an area for the Towns and Villages Programme, a scoping document was created to highlight any issues observed and this was then discussed with the Local Member. Councillor Surtees was given assurance that she would be engaged in this process going forward.

Councillor Moist, the Chair expressed his appreciation to Members for their involvement and emphasised the need to work strategically. He commented on the excellent report but stressed that as the Towns and Villages Programme was coming to an end, it was important for the Committee to look ahead to the UK Shared Prosperity Fund (UKSPF) and stated that more local based discussion was necessary. The Chair advised that it would be beneficial for a report to come back to a future meeting of the Committee to plan, in conjunction with Local Members, how funding from the UKSPF should be utilised.

Resolved

That the content of the report and presentation be noted.

7 Business Start-up Support

The Committee received a report of the Corporate Director of Regeneration, Economy and Growth which provided members with an overview of the current business start-up 'ecosystem' in County Durham, including the enterprise and start-up programmes which would conclude in June 2023 as ERDF funding came to an end. The report also provided an update on the work being undertaken to develop the future provision of business start-up support, enabled by the UK Shared Prosperity Fund and the Enterprising Durham Framework (for copy see file of Minutes).

S Slaven, Managing Director of Business Durham provided a detailed presentation. She advised that the start-up rates in County Durham had improved in recent years with the annual number of business 'births' increasing from 1,565 in 2018 to 1,810 in 2021 and that the survival rates of new businesses in County Durham were above regional and national figures. The Managing Director explained that it was timely to review the current start-up ecosystem and look at new ways to encourage and support more businesses to start-up in the County.

The Managing Director went on to advise that enterprise agencies were the main providers of start-up services and that three enterprise agencies existed in County Durham which covered specific geographical areas across the county. She explained that the two main programmes led by Business Durham were the Durham City Incubator (DCI) and Durham Ambitious Business Start-ups (DABS), both of which were part-funded by ERDF, with DCI running from 2019-2023 and DABS from 2020-2023. The DABS programme had supported 150 pre-start individuals, 130

new start-ups and created 16.68 FTE jobs. The DCI had supported 72 high growth businesses over 9 cohorts and collectively raised over £8m investment.

Finally, the Managing Director explained that the time felt right to review, reflect, and reshape start-up provision in collaboration with the organisations involved in the informal County Durham Start-up Provider Network, in order to build upon the good practice, lessons learned and recommendations set out in the ERDF Summative Assessment reports. It was highlighted that various delivery partners had come together through facilitated engagement and consultation, to develop the Enterprising Durham Framework. The Framework provides the foundation to build a start-up ecosystem that would deliver on the IES priority to provide excellent support at all stages for businesses to start-up, sustain, thrive and grow in County Durham.

Councillor Ormerod asked for further information regarding the programme's approach to students, and questioned if they relied on students coming forward with an idea or if outreach work was specifically done with them. He commented that students in Durham were talented and capable of starting up businesses but pointed out that this option may not have occurred to them. The Managing Director confirmed that Durham University had done a great deal of work with undergraduates. L Howe, Durham City Incubation Manager further advised that the start-up scheme had bloomed in Durham University over the past 3-4 years and commented that staff had done excellent work. He gave examples of the Blue Print Competition and the Game Changer where graduates tackle one of the UN sustainable development goals, these competitions had attracted students from all subjects. He explained that this had led to some great business ideas which subsequently led to the DCI. He also advised that he had worked closely with New College Durham to promote self-employment enterprise as an option. He confirmed that engagement had taken place with other colleges in the area and stated that this engagement would continue.

Co-opted member, R Morris referred to the recommended next steps in the report relating to the Enterprising Durham Framework and noted that only three of the recommendations had deadlines assigned and asked whether those without deadlines were therefore ongoing. She further asked if Members would be updated on the progress of the recommended next steps and asked how this would be communicated to the Committee. A Kerr, Head of Economic Development explained that an overview of the delivery of the UKSPF will be provided to the committee at a future date and that Enterprising Durham Framework features within delivery of the UKSPF. R Morris commented that it would be beneficial to develop the work done by Durham University as students presented real talent for the future.

Councillor Charlton asked if Business Durham were working with all further education colleges in County Durham or New College Durham only. The Managing Director confirmed that they were in discussions with all three further education colleges in the county and explained that colleagues had contacted any who had

not taken part in the workshops and provided them with the opportunity to be involved. Councillor Charlton further asked if sixth form colleges had been included in the programme. The Managing Director advised that sixth form colleges had not been included yet as Business Durham needed to focus on organisations that provided start-up activities, however she advised that consideration was being given on how to reach out to sixth form colleges and explained that enterprise within schools was being encouraged.

With regards to the DABS programme, Councillor Sterling noted that 16.68 full time jobs had been created by the start-ups supported and a further 10 jobs were estimated to be created by the end of the programme delivery. She asked whether the figures stated were separate to the 130 new start-ups created via DABS. The Managing Director confirmed that this was separate.

Councillor Robson asked whether the team had linked with careers advice in schools. The Managing Director confirmed that this was a priority that had come through the IES and although links had not been established with careers at present, she gave assurance that consideration was being given on how to make these connections going forward.

The Chair expressed concern regarding the allocation of funding from the UKSPF and stated that he would like to see more support given to local businesses. The Managing Director clarified that UKSPF funding totalled £30m and advised that £13m had been allocated to support local business and £2m of this was ear marked for start-up delivery on the ground. She explained that this was how the county had chosen to allocate the funding. The Managing Director noted that it was important to work with partners to determine the best use of this money and she offered to provide further information with regards to this at a future meeting of the Committee.

Resolved

That the content of the report be noted.

8 Quarter Four, 2022/23 Performance Management Report

The Committee received a report of the Chief Executive which presented an overview of progress towards achieving the key outcomes of the council's corporate performance framework and highlighted key messages to inform strategic priorities and work programmes. The report covered performance in and to the end of quarter four, 2022/23, January to March 2023 (for copy see file of Minutes).

G Wilkinson, Strategy Team Leader presented the report and highlighted the areas that were going well and advised of those that required attention. The Strategy Team Leader pointed out that the reference in the report to Seaham was incorrect and should have stated Spennymoor. The Strategy Team Leader informed the

Committee that going forward, performance management information would be presented visually.

Councillor Batey commented that the current way of viewing performance management was difficult to follow and welcomed a more visual approach. The Strategy Team Leader advised that quarter one would comprise of a narrative summary of the main points along with visual dashboards and stated that feedback from Members on the new approach was encouraged at the next meeting.

Resolved

The Committee noted the following:

- The overall position and direction of travel in relation to quarter four Performance.
- The continuing impact of COVID-19 pandemic recovery and the external international factors driving inflation and cost-of-living on the council's performance.
- The actions being taken to address areas of underperformance including the significant economic and well-being challenges because of the pandemic and other external factors.

9 Refresh of the work programme 2023/24

The Committee received a report of the Corporate Director of Resources which provided the Economy and Enterprise Overview and Scrutiny Committee (E&E OSC) with an updated draft work programme for 2023/24 (for copy see file of Minutes).

D Close, Overview and Scrutiny Officer highlighted that the work programme had been informed by key documents including: the County Durham Vision; the Council Plan; Cabinet's Notice of Key Decisions; performance and budgetary control data; various partnership plans and strategies and local priorities. She advised that para 13 and 14 looked back at the areas of focus for the committee during 2022/23 and included some areas from the previous work programme which had been carried forward for further consideration by members and noted that these were included in the draft work programme for consideration by Members.

The Overview and Scrutiny Officer went on to explain that to deliver the draft work programme, the Committee would need 5 scheduled meetings which run from September to April 2024, 3 workshops, 2 informal information sessions and 4 Joint special meetings with the Environment and Sustainable Communities Overview and Scrutiny Committee and at least one further special meeting of the committee. She explained that this was due to the extensive nature of the draft work programme.

Going forward, the Overview and Scrutiny officer emphasised the need for the work programme to be flexible to accommodate any additional items which may arise throughout the life of the work programme. Once members agreed the work programme, she explained that the Chair and Vice-chair would consider which items go to the various meetings of the committee.

Finally, the Overview and Scrutiny Officer asked Members to receive and comment on the proposed draft work programme, agree the work programme and the flexibility that it offered to respond to emerging issues and to identify a topic for in-depth or light touch review should they wish to do so.

Councillor Manchester suggested that members receive detail of the Supported Housing Improvement Programme, explaining that whilst some providers do support residents, there is concern about the lack/level of support provided by others with some residents remaining isolated from services they needed. Members need to be made aware of the Improvement Programme and how it will monitor providers in the county. The members agreed that this topic should be included in the work programme.

Councillor Batey commented that it would be helpful to have an update regarding the strategic development sites and gave the examples of the History Centre, DLI and Durham County Council Headquarters. The Chair agreed and stressed the importance of being kept up to date with the outcomes and the delivery timescales in relation to the major programmes.

The Chair acknowledged that the work programme for 2023/24 was extensive but included important topics and he thanked the Committee for their support.

10 Other Business

Members were reminded that a Housing Strategy Workshop open to all Overview and Scrutiny Members was planned for 10 July 2023 and were encouraged to confirm their attendance.

Members were also informed of a workshop that was to be held on 20 July 2023 for Economy and Enterprise Overview and Scrutiny Committee Members only and provided an opportunity to comment on the emerging Inclusive Economic Strategy Draft Delivery Plan. The Head of Economic Development advised that this workshop would be a facilitated session and a formal session would follow in September.

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Economy and Enterprise**Overview and Scrutiny Committee****18 September 2023****Strategic Sites Update**

**Report of Amy Harhoff, Corporate Director of Regeneration,
Economy and Growth**
Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report provides the strategic context for economic growth in County Durham and focuses on the role of employment land in delivering that growth. It sets out existing employment land in the county; the allocation of employment land for future development; strategic employment sites and progress on delivery; and the allocation of future land for employment growth.

Executive Summary

- 2 The County Durham Vision for 2035 is that County Durham is a place where there are more and better jobs, people live long and independent lives and our communities are well connected and supported. The Vision identifies that to help people to create more and better jobs we will develop major employment sites across the county to build a strong, competitive and lower carbon economy.
- 3 In December 2022 the council adopted the County Durham Inclusive Economic Strategy (IES). The IES sets out a vision for County Durham's future as a sustainable, inclusive economy with a diverse range of jobs to meet all skill levels, with targeted training and learning programmes tailored to our employment specialisms and needs of business. The strategy aims to raise aspirations in young people and deliver a step-change in economic growth, with the council's and its partners activity aligned to deliver an agreed future vision.
- 4 Working effectively with our neighbouring authorities can have a major impact on our shared economic prosperity. As a result of devolution this relationship will change significantly. On 28 December 2022 HM Government announced a "minded to" devolution deal with the seven

councils across the North East. To implement the deal, it will be necessary to establish a new Mayoral Combined Authority. In total, it is expected to provide £4.2 billion of additional investment to the region over 30 years, including a £1.4bn investment fund alongside significant funding for transport, education and skills, housing and regeneration.

- 5 The availability of suitable sites and property for business is one of the critical drivers in attracting businesses to create jobs in the county, as well as to enable existing businesses to expand and grow. A challenge for many local authorities is the transition from traditional industrial space that is no longer fit for purpose, and how we support the transition to modern quality employment space.
- 6 In delivering employment the role of the local authority is important in enabling development by creating the right conditions for growth, investment and employment. Durham County Council supports developers and businesses to create growth in a number of ways:
 - Having an up-to-date local plan with a clear land supply to meet the needs and opportunities for the county;
 - Providing a relevant economic strategy which identifies clear opportunities to support jobs and growth such as the development of the Inclusive Economic Strategy;
 - Supporting the transport system and accessibility for new sites for example through our enhanced support for subsidised bus services;
 - Securing funding for, and in some cases administering, skills and development programmes for example the UK Shared Prosperity Funded Programmes;
 - Applying for central funding and delivering investment to underpin vital infrastructure delivery, for example the Levelling Up Funding;
 - Directly supporting and delivering key sites and property where there is a clear case for investment for example Aykley Heads and NETPark;
 - Working in partnership with major institutions to unlock growth, for example the Durham County Council and Durham University MoU;
 - Providing comprehensive business support programmes including grants and access to finance to support business growth such as the Finance Durham Fund; and

- In appropriate commercial circumstances supporting the sustainability for developments through arrangements such as commercial headleases
 - Marketing our place as somewhere to live, work and invest, for example through Visit County Durham and Business Durham, working closely with Invest NE and the Department for Business and Trade.
- 7 To ensure the supply of new employment land the County Durham Plan, adopted in 2020, includes 300 hectares of new land that has been allocated for business and industry. These allocations were informed by evidence within the Employment Land Review (ELR) which identified how much employment land is required in the Plan period and where that land should be allocated. In addition to these new sites, there are a further 106 existing industrial estates across 1,500 hectares which are protected for employment uses.
 - 8 A number of the sites that have been allocated for employment uses are of such a significant size, or regional importance, that they are considered as 'strategic sites' in planning terms. These sites comprise 249 hectares of land at Aykley Heads, NETPark, Forrest Park, Integra 61 and Jade Business Park, and are central to delivering new investment into the County and providing the space for over 17,000 jobs.
 - 9 However, it is important to note that the strategic sites are only part of a portfolio of employment sites, alongside major existing employment locations such as Aycliffe Business Park – which covers 400 hectares alone - Peterlee Industrial Estate and Seaham Spectrum, as well as concentrations of employment in more localised markets around Bishop Auckland, Spennymoor, Consett, Stanley, Chester le Street and Durham City.
 - 10 DCC provides dedicated and intensive business support to all of these locations through Business Durham, to build business networks, to provide support to enable them to sustain and grow, and to identify and address any issues, such as the availability of suitable premises. The networks provide a key mechanism to gather intelligence on demand and supply from businesses and private sector landlords/developers, which feeds into the consideration of future employment site requirements and development.
 - 11 Through this intensive engagement Business Durham engages and supports over 1,000 business each year, and through this support and interventions safeguarded 798 jobs in 2022/23 and created a further 1,188 new jobs through direct intervention. 72 high growth start-ups

have been supported through the Durham City Incubator, and over 30 businesses have received investment to date through Finance Durham, and in 2022/23 14 inward investments were secured, generating an initial 199 jobs.

- 12 The council also plays a key role in supporting businesses in securing external funding and at times investing directly in supporting infrastructure and continuing to invest in developing its own sites. This includes the £62m phase 3 investment at NETPark which is on site and due to complete next year, the recent completion of 10 new industrial units at Merchant Place, and the upcoming £7m development of new industrial units at South Church.
- 13 This work, coupled with the intensive inward investment approach, has helped contribute to the continued investment in and development of the County's allocated employment land. Since 2018 155 hectares of employment land has received planning permission, and 83 hectares have been built out, helping businesses to grow and supporting the creation of more and better jobs in the county.

Recommendations

- 14 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment on the information provided in this report.

Background

- 15 Members will recall that at the meeting of the Economy and Enterprise Overview and Scrutiny Committee held on 3 October 2022 a report and presentation was provided on the key strategic employment sites in County Durham. This report provides an update on progress and highlights the background as to why these sites were identified and how we market and deliver these and other employment sites and premises. Some of the sites are within the council's ownership and responsibility to develop and attract end users, and a number of others are led by the private sector.

Strategic context

County Durham Vision

- 16 The County Durham Vision for 2035 is that County Durham is a place where there are more and better jobs, people live long and independent lives and our communities are well connected and supported. The Vision identifies that to create more and better jobs we will develop major employment sites across the county to build a strong, competitive and lower carbon economy.
- 17 The County Durham Vision document outlines six specific objectives to achieve more and better jobs across the whole county, with the first objective being:

We will deliver a range of accessible employment sites across the county

New and expanded employment sites across the county which are accessible to the labour market, will attract new employers, allow expansion of existing businesses and respond to the changing needs of the business sector, as well as being located in areas of the county that offer good opportunities to attract investment, in line with the County Durham Plan.

Inclusive Economic Strategy

- 18 In December 2022 the council adopted the County Durham Inclusive Economic Strategy (IES). It's vision for County Durham's future is to have a sustainable, inclusive economy with a diverse range of jobs to meet all skill levels, with targeted training and learning programmes tailored to our employment specialisms and needs of business. The strategy aims to raise aspirations in young people and deliver a step-change in economic growth, with the council's and its partners activity aligned to deliver an agreed future vision.

- 19 To achieve this the IES sets a framework for an inclusive economy, focusing on People, Productivity, Places, Promotion and Planet:
- People - Supporting people into education, training, jobs, and to excel in business and their careers;
 - Productivity - Supporting business innovation, growth, and higher levels of productivity;
 - Places - Improving places and plan infrastructure so that people and businesses can access opportunities;
 - Promotion - Promoting the county, its assets and opportunities to businesses, investors, visitors, developers and residents; and
 - Planet - Within each of the above headings there are specific actions related to green growth. The target for County Durham to become net zero has been brought forward to 2045. The Climate Emergency Plan sets out how we need to be at the forefront of the clean, green, industrial revolution. The strategy complements these plans by investing in people, technologies, research and development, and business.
- 20 A detailed Delivery Plan and monitoring framework to support the IES is currently being prepared. Stakeholders, residents, businesses, education providers, and communities are being engaged in the development of relevant actions and initiatives to be included. Using a Delivery Plan approach will enable regular reviews to respond to economic changes; allow priorities to be reassessed and recalibrated by future administrations; and actions to be refined based on whether outcomes are being achieved. This will ensure the IES remains a relevant and live document throughout its lifespan.

Devolution

- 21 On 28 December 2022 HM Government announced a “minded to” devolution deal with the seven councils across the North East (i.e. Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland).
- 22 To implement the deal, it will be necessary to establish a new Mayoral Combined Authority (MCA) which covers the area of the seven councils and replaces the two existing combined authorities in the region – the North of Tyne Mayoral Combined Authority and the North East Combined Authority.
- 23 The “minded to” devolution deal would see a significant shift of powers, funding and responsibility from central government, which would enable the Councils to pursue their ambitions for inclusive growth. In total, it is

expected to provide £4.2 billion of additional investment to the region over 30 years, including a £1.4bn investment fund alongside significant funding for transport, education and skills, housing and regeneration. This funding would enable investment into projects which reflect local needs and opportunities, making a real difference for our residents, communities, and the local economy.

- 24 In recognition of the economic opportunities presented by County Durham joining the North East Mayoral Combined Authority, the Government propose a further investment in the North East area to drive place-based economic regeneration through a £20 million capital funding pot to be allocated over the current spending review period. Priority schemes for County Durham include the NETPark and Aykley Heads developments.

Existing employment land and support for businesses

- 25 The availability of employment land is key to ensuring the economic growth that is set out in the Inclusive Economic Strategy, and County Durham has significant existing land and land allocated for future employment uses. There are over 1,500 hectares of already developed employment land in the County Durham Plan that is safe-guarded from being redeveloped for other uses. There are the existing major employment locations at Aycliffe Business Park (which covers 400 hectares and is home to over 500 businesses alone, employing around 10,000 people), Peterlee and Seaham¹, as well as concentrations of employment in more localised markets around Bishop Auckland, Spennymoor, Consett, Stanley, Chester le Street and Durham City. Barnard Castle, in the rural west of the county, also contains some large employment sites and employers including Glaxo Smith Kline (GSK).
- 26 The industrial estates on the A19 at Peterlee and Seaham are also home to significant employers, particularly in the automotive and food and drink sectors. These existing major employment locations, together with large industrial estates at Consett, Stanley, Bishop Auckland, Spennymoor, and around Durham City (Belmont, Meadowfield and Bowburn) will continue to provide the bedrock of jobs for our communities.
- 27 Business Durham facilitates business networks focused on all of the main employment locations. These include Aycliffe Business Park Community, East Durham Business Network (covering the business parks/industrial estates at Peterlee and Seaham), Drum Business Park Group and the Bishop Auckland and Shildon Business Network. The purpose of these networks is to facilitate engagement and interaction

¹ For example, Peterlee North West Industrial Estate, Peterlee South West Industrial Estate, Spectrum Business Park

with the businesses located there, to connect businesses with support to enable them to sustain and grow, and to identify and address issues, such as availability of suitable premises. The networks provide a useful mechanism to gather intelligence on demand and supply from businesses and private sector landlords/developers, which feeds into the consideration of future employment site requirements and development.

- 28 In addition to these networks, the Council has developed long-term relationships with existing businesses in the county through an account-managed approach led through our Business Durham Service. Supporting over 1,000 businesses each year, this provides an opportunity to regularly talk through the growth plans of individual companies and identify in good time where this will involve a premises requirement. Options might include expansion of existing premises on the same site, taking additional units nearby or relocating to new premises that better meet the longer term growth requirements of the business.
- 29 A key tool that Business Durham offers to help with this is an online property database which keeps an up-to-date picture of available land and premises, searchable using the following attributes: freehold and leasehold; office and manufacturing/warehousing; by size; by location. As well as being used by Business Durham staff to help local and inward investment enquiries, it is also available on the Business Durham website for any businesses to search themselves.
- 30 These existing sites are also subject to ongoing redevelopment and expansion, as property holders respond to the changing demand for the type of employment units and space needed by business. On **Aycliffe Business Park**, there has been the recent development of Station Place at Merchant Park, with the council supporting the private sector-led development of 10 new industrial units by taking a headlease. Completed in November 2022 the units, which total 50,000 sqft, are being managed by Business Durham. Further development by Merchant Anglo could see an additional 300,000 sqft of space available in the next twelve months with funding from the North East LEP's Commercial Property Investment Fund.
- 31 In Bishop Auckland the council is working to bring forward a proposed development of 40,000 sqft of small industrial units at **South Church Enterprise Park**, funded by the council with grant support from the Stronger Towns Fund. Work is underway to quantify costs after construction inflation, identify the size of the funding gap and source funds to fill the gap. If successful work would begin on site in Spring 2024 with practical completion twelve months later. The units will be managed by Business Durham as part of a project working closely with

the South Durham Enterprise Agency to support new businesses in the area.

- 32 At **Bracken Hill Business Park in Peterlee**², FI Real Estate is acquiring vacant Contact Centre properties with a view to re-purposing them for general industrial/distribution uses. It has made a start with the demolition of a large office built for Orange over 20 years ago and the construction of a courtyard of small industrial units.

Future employment land

- 33 In addition to existing employment land it is important that the council allocates a strong ongoing supply of land for future growth. In addition to protecting 1,500 hectares of existing employment land in the 2020 County Plan there is also 300 hectares of new land allocated for development for business and industry. The allocations consist of undeveloped areas of land located on existing employment sites, extensions to existing industrial sites and a number of entirely new employment locations.
- 34 The Plan was developed using a detailed evidence base, the key study being the Employment Land Review (ELR). The ELR provided a review of the county's current position in terms of employment land supply (in both qualitative and quantitative terms) and an understanding of the anticipated growth trajectory of the county's economy and the implications regarding demand for employment land over the Plan period. The ELR provided an analysis of the current stock of employment space and historical trends, considered in the context of provision within the North East. It also looked at the commercial property market signals within the county and providing an overview of the commercial markets, including the relative attractiveness of each and the key drivers of demand. This analysis came from Lambton Smith Hampton, a leading commercial property market agent in the North East.
- 35 The analysis found that locations with good access to the A1(M) or the A19 complement and compete with other locations within Tyne and Wear and Teesside. It found that within these locations, bespoke industrial and warehouse units can be viably developed in periods of sustained growth. It also found that in locations that are more distant from the strategic highway network, rents are lower and private sector industrial development often relies on higher public sector gap funding or incentives such Enterprise Zones. The ELR therefore found that the county contains two principal market areas:

² A 21 hectare industrial estate located to the south of Peterlee South West Industrial Estate

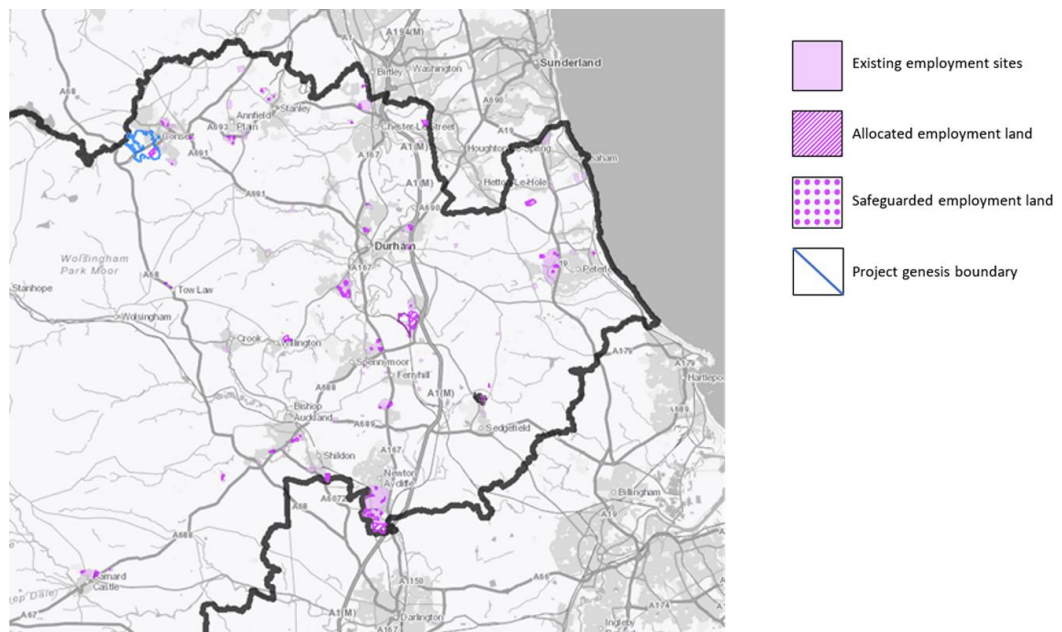
- A1 Corridor – the key industrial location (including Durham City – the key office market); and
- A19 Corridor – secondary industrial and office location.

36 These findings were also backed up by an assessment of employment land take up which showed that the most significant developments over the past 15 years had taken place within the A1(M) and A19 Corridors.

37 However, provision in these locations is also supported by a number of more localised markets that, with some notable exceptions, primarily serve the needs of the towns and villages in their immediate vicinity. These included Bishop Auckland, Consett, Barnard Castle and surrounding settlements.

38 In light of this evidence the ELR concluded that the Plan should concentrate employment land allocations within the two principal markets, whilst maintaining a supply of land within the more localised markets. These conclusions then informed the distribution of all employment land allocations in the County Durham Plan.

Figure 1 – employment land allocation in the County Durham Plan



Strategic Employment Sites

39 Of the 300 hectares allocated for future development around 250 hectares of are identified as strategic employment sites. Strategic employment sites are single locations that have significant land identified for future growth, are in strategically important locations, are

of regional (and sometimes national) importance, and provide a clear high profile inward investment pitch for the County. These sites are central to delivering new investment in to the County and have the potential to provide over 17,000 jobs:

Figure 2 – Strategic employment sites

| | Potential site size | Potential floorspace (m2) | Current jobs | Potential total jobs |
|---------------------|---------------------|---------------------------|-------------------|----------------------|
| NETPark | 77 hectares | 114,000 | 700 | 4,000 |
| Aykley Heads | 15 hectares | 38,000 | | 4,000 |
| Jade | 19 hectares | 65,000 | 160 | 1,000 |
| Forrest Park | 55 hectares | 160,000 | 35 | 3,280 |
| Integra 61 | 83 hectares | 266,000 | 1,000 plus | 5,000 |
| Total | 249 hectares | 643,000 m2 | 1,895 plus | 17,280 |

- 40 The council’s involvement in each site varies, depending upon the ownership of the site and what is needed in terms of public sector support and infrastructure to enable the development to happen. One of the council’s key roles in the delivery of these sites and all employment land is the approach to inward investment which is set out later in this report.
- 41 Due to their size and scale strategic sites are planned to provide land for the County Durham Plan period up to 2035 and beyond, they can therefore take many years to assemble and be developed out. The following provides a summary of the strategic sites and update on their delivery. Full details of these sites can be found in Appendix 2.

Figure 3 – Map of strategic employment sites



- 42 **Forrest Park** is located adjacent to Junction 59 of the A1(M) south of the existing Aycliffe Business Park which has historically been a key location for inward investment and expansion of existing businesses. A Joint Venture between the Council and the Forrest Family, Forrest Park provides 55ha of land which has the potential to support up to 3,280 jobs once developed. The Council and the North East LEP have funded £13m of enabling infrastructure works to create a new signalised junction and electricity substation, in order to open up the site for development.
- 43 Outline planning permission was granted in 2019 for up to 163,450sqm of employment space with supporting ancillary uses. Since 2019 a Euro Garages service station, and units for Greggs and KFC have been delivered on the site, and a reserved matters application was submitted in May 2022 for the erection of 8 industrial units that will deliver 79,419sqm of Class E(g)(ii)(iii), B2 and B8 floorspace. This was subsequently approved in October 2022. Richardson Barberry are preparing to bring this first phase forward and will be submitting detailed development proposals in quarter 3 23/24. The site will target businesses in the warehousing, logistics and manufacturing sectors.
- 44 **NETPark (North East Technology Park)** is one of the UK's premier science, engineering and technology parks, owned and developed by the council. Located near Junction 60 of the A1(M) just north of Sedgefield, NETPark is home to over 40 companies, including Kromek, Filtronic, IBEX Innovations and Polyphotonix and over 700 employees in specialist R&D, science-based, and high-tech sectors. It also benefits

from having three National Catapult Centres on site – the High Value Manufacturing Catapult, the Satellite Applications Catapult and the Compound Semi-Conductor Catapult – as well as Durham University’s Centre for Advanced Instrumentation and Orbit, the University Enterprise Zone.

- 45 Following the council’s approval to invest in the £61.6M Phase 3 development at NETPark, Kier Construction were appointed to deliver the project and works commenced on site at the beginning of July 2023. The North East LEP is providing £3.9M funding towards the scheme, which will see the development of 232,150 sqft of laboratory, clean room and office space to enable companies to grow, scale-up and commercialise their operations. The development will be completed in early 2025 and is expected to support the creation of 1,250 high-value jobs and contribute £625M of GVA to the county’s economy over the next 10 years. A comprehensive marketing campaign is underway and there is strong interest in the development currently with 11 active enquiries.
- 46 In addition to Phase 3 there is a further 16ha of land allocated for development in the County Plan, and 16ha of land safeguarded for future growth. Once fully built out NETPark could provide 77ha and up to 4,000 high value jobs, supporting significant further jobs across the County in the wider supply chain and eco-system.
- 47 **Integra 61** is a site of significant scale (83 hectares), located adjacent to the A1(M), Junction 61. It is home to Amazon, a 2,000,000 sqft unit (186,000sqm). In the Summer of 2022, work on site began on 5 new industrial warehouse units, totalling 640,000 sqft, in a venture between developers, Sunrise and Citrus Group. Construction has made good progress and the units ranging from 43,000 to 298,000 sqft, are due to be complete in September 2023. The development of the site includes a number of ancillary uses including Costa Coffee and Greggs. There are currently estimated to be in excess of 1,000 jobs on site with the potential to create up to 5,000 jobs.
- 48 A further phase of development of approximately 62 hectares is safeguarded in the County Durham Plan. However, this is on the western side of the Leamside railway line so would need a suitable access providing to release this area of land. Together with the Bowburn Relief Road this project was included in a recent bid to round two of the government’s Levelling Fund. Unfortunately, this was unsuccessful as no local authority that had been successful in round one (such as DCC) received a round two allocation. However, the council will continue to pursue alternative options to fund and unlock phase 2.

- 49 **Aykley Heads** is located within Durham City in close proximity to the city centre and railway station. It provides an opportunity to develop a Durham Innovation District, linked to the new University Business School and Milburngate development, and providing high quality employment space with the potential to accommodate 414,000 sqft of development floorspace and up to 4,000 jobs. The council is working with Durham University on a joint vision for the site and procurement of an investor/development partner is to commence in September 2023 (subject to Cabinet approval to do so) with the appointment of a partner in early 2025.
- 50 Aykley Heads is uniquely positioned to capitalise on these characteristics and serve as a driving force for County Durham's future economic growth; a world class University; existing elements of an innovation ecosystem; and scope to scale up significantly and create an Innovation District of regional, national, and international significance that delivers huge benefits to the residents of Durham and the long-term economic prospects of the area.
- 51 In 2014 a masterplan for Durham City was adopted which supported the aim of establishing a business district in the city. In support of this, Cabinet agreed in 2015 the principle of releasing the Aykley Heads site for a Strategic Employment Site. This decision was linked to the proposed relocation of the Council's Headquarters (HQ).
- 52 An Outline Business Case for the relocation of the HQ was approved in 2016. The development of this OBC and the potential for relocation from County Hall to a new HQ allowed a development and delivery strategy to be developed for Aykley Heads, including the preparation of a masterplan for the site.
- 53 An outline planning application for delivering the Aykley Heads masterplan comprising 414,000 square feet of development floorspace was submitted in 2020 and subsequently approved in January 2021.
- 54 **Jade Business Park** is a 19ha site reclaimed from Hawthorn Colliery and Cokeworks, located just off the A19, south of Murton. A first phase of development was funded directly by the council to provide seven new industrial units totalling 155,000 sqft. Five of these have been let to inward investors and one of the two existing companies moving to the Jade units could have moved out of the county had the unit not been available.
- 55 Due to the challenges of inflation and construction costs phase two has not yet progressed through private speculative development. However, The council continue to work with interested prospective occupiers for future phases and a funding agreement has been put in place with

NELEP to bridge the abnormal costs expected from ground conditions in readiness for an improvement in the investment market.

Other employment sites in the County Durham Plan

- 56 The ELR for the County Plan also made recommendations regarding the location of other employment land.
- 57 The north of the county includes areas within the A1 Corridor, most notably around junction 63 and Chester-le-Street. Drum Industrial Estate is located just north of Chester-le-Street and has been a popular location for businesses, given its good access onto the A1(M) via Junction 63. The site has developed significantly over the past 20 years and only 4.5ha of land remains undeveloped that will provide future opportunities for investment. The developer, Argon Properties, has recently put in a planning application for development of the site for Bidfood Ltd who would occupy a 134,000 sqft warehouse employing 240 staff.
- 58 The council have previously explored the potential to further extend Drum Industrial Estate, given its prominent position within the A1 Corridor and its popularity to the market however it is constrained by Green Belt. Other locations in proximity to Chester-le-Street are also constrained by Green Belt and also flood risk. Whilst a strategic site within this location would no doubt be successful, existing constraints mean this is unlikely.
- 59 North West Durham's industrial and office market is focused primarily in and around the towns of Consett and Stanley. The ELR found that the area largely serves a local occupier need partly as a result of its distance from the strategic road network. The most significant area of land allocated is at Hownsgill Industrial Estate in Consett which has seen recent investment including recent speculative development at Bessemer Court providing 14 units and 3,872 sqm of industrial floorspace.
- 60 Elsewhere, land exists on Greencroft Industrial Park and the industrial estates at Tanfield Lea where there are undeveloped plots rather than a single large site. The Plan's employment land allocations reflect these and the land allocated within this area is above the future land requirements recommended within the ELR. The recent success of Hownsgill may however justify a need to consider further land allocations through a future review of the County Durham Plan.

Identifying future employment land

- 61 It is acknowledged that the ELR was completed in 2018 and that the picture regarding the supply and demand for employment land will have

evolved, reflecting land take up and more recent market conditions. A revised ELR will therefore be required to inform a future review of the County Durham Plan and will guide the identification of any additional strategic employment sites and employment land allocations. Whilst the 300 hectares of allocated land provides a significant supply of land, and focus remains on attracting inward investment and securing infrastructure funding, it is important that consideration continues on future land supply.

- 62 It is considered that there is sufficient land availability in the short and medium term including at the key strategic sites across the county with a significant pipeline of development currently seeking financing. In the medium term we will need to look at land availability (this will involve new sites and repurposing sites that have old, tired buildings developed in the 1970s and 80s) for the next iteration of the Employment Land Review. Work is due to commence on reviewing the County Durham Plan next year as the new national planning reforms come in to place. This will provide an obvious opportunity to undertake a new Employment Land Review which will provide an updated picture of the supply of employment land across the county and the projected demand for new land and premises. This will then inform future employment land allocations and policies within the new County Durham Plan.
- 63 Whilst it is acknowledged that the site allocations will provide the main locations for new business and industrial development, other policies within the Plan do however provide further flexibility for employment uses to come forward through the Employment Site Exceptions Policy. Further to this there are other policies within the Plan that would allow employment proposals to come forward on unallocated sites.

Attracting Inward Investment

- 64 As noted earlier in this report one of the key roles the council has in delivering new jobs is in attracting inward investment to the County. The report has set out the business support that is provided in enabling existing businesses to expand and grow, but inward investment is also a key activity with the following objectives:
- To promote and drive interest in the key sectors to intermediaries and potential occupiers;
 - To raise the profile of County Durham nationally;
 - To support applications through processes and provide guidance such as planning;
 - To support and navigate funding and finance options; and

- To offer skills and support programmes.

- 65 To ensure a clear and dedicated resource to support inward investment, the council takes a proactive approach, providing a targeted inward investment function through its Business Durham service which acts as a gateway across a range of council services and wider partners to support investment. In terms of attracting of enquiries, it works with Invest North East and the Department of Business and Trade (formerly the Department for International Trade) taking a sector based approach and pitching for relevant enquiries. Resulting firm enquiries are then dealt with through a bespoke approach with a plan tailored to the specific needs and drivers of each potential inward investor. All enquiries have different needs, but common requirements tend to revolve around land and premises; finance; skills; supply chain; and legal requirements e.g. planning and permits. In 2022.23 Business Durham received 59 inward investment enquiries, secured 14 Inward investment projects, and created 199 direct jobs from those projects.
- 66 This is an approach through which the council has also successfully attracted major inward investors into the county, for example Hitachi Rail Europe locating their UK manufacturing facility at Aycliffe Business Park. Global economic factors and the national government policy environment have a significant impact on the extent to which international businesses are looking to locate into the UK, meaning that it is increasingly important to focus on sectors in which the county and North East region have strength and capability, and we are seeing early signs of success with this strategy, for example in relation to the Space and Satellites sector.
- 67 Inward investment includes attracting business to the county from other parts of the UK, particularly where they are looking for locations to expand their operations. The comprehensive business support services that Business Durham offers can play a key part in businesses making the decision to locate in the county, for example through access to grants and investment finance. The council's Finance Durham Fund which is managed by Maven Capital Partners, has been particularly useful in this regard making eight investments in businesses moving into the county, for example Power Roll locating at Jade Business Park.
- 68 Jade Business Park provides a good example of the role of the council in proactively addressing identified shortages of industrial buildings, working closely with a range of developers and agents, to enable companies in the county to expand and to attract inward investor occupiers. Most of the companies at Jade Business Park accessed financial support towards their move from Finance Durham and/or the County Durham Growth Fund grant, and all receive ongoing support

from Business Durham, bringing in other DCC departments as appropriate, for example to assist with access to employment and skills.

- 69 The success of Phase 1 has set the conditions for a next phase of speculative development or bespoke development for an end user. Teams from across the council are working together to enable the private sector developer to bring forward Phase 2 at Jade Business Park. It has involved close working between planning, ecology, transport, CPAL and Economic Development. A multi-disciplinary project board chaired by Business Durham was established meeting every four weeks to map progress against all inter-dependencies ensuring all parties were aware of the economic development objectives. Each internal service was also clearly identified as working with external partners including the private developer, national Highways and the North East LEP. This has put the site in a strong position to react credibly to significant enquiries.
- 70 In practical terms no inward investment enquiry will make progress without appropriate land and premises and the number of investors wanting a building ready to move into far outstrips those wanting a bespoke unit building with the consequent impact on timescales. It is important therefore to have a stock of suitable buildings available and a good relationship with landlords, developers and agents.

Conclusion

- 71 This report sets out the importance of having an appropriate supply of employment land to enable the delivery of economic growth. The council has a clear strategic vision to deliver this growth, and significant new investment opportunities through devolution. Crucially, through the County Durham Plan it also has significant allocations of new employment land that complements its large existing employment land base, which continues to adapt to the needs of modern business, and a process for identifying and allocating further employment land in the future.
- 72 Of the 300 hectares of new employment land allocation in the Plan, the majority is concentrated on strategic sites that have been carefully identified based on an assessment of their attractiveness to business and ability to maximise economic outcomes. The delivery of these sites, and other allocated employment land, is being enabled by the council through a mixture of direct delivery, securing external investment, and attracting inward investment to support the creation of more and better jobs in the county.

Background papers:

- [Inclusive Economic Strategy](#) - Inclusive Economic Strategy
- [County Durham Plan](#) – County Durham Plan
- [County Durham Vision](#) – County Durham Vision

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Appendix 1: Implications

Legal Implications

None.

Finance

None.

Consultation

None.

Equality and Diversity / Public Sector Equality Duty

None.

Human Rights

None.

Climate Change

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

None.

Procurement

None.

| Strategic Site | Description | Owner/Developer | Public sector role | Timescale | Sector/Industry | Jobs |
|---|--|---|---|---|--|--------------------------|
| A1 Corridor | | | | | | |
| <p>Forrest Park</p> <p><u>Location:</u> Off Junction 59 of the A1(M) at Aycliffe Business Park</p> <p><u>Website</u> https://forrestpark.co.uk/</p> | <p>A 55 hectare site with planning consent for more than 1.75 million sq. ft of industrial/distribution accommodation.</p> <p>This will comprise 11 Industrial Units ranging in size from 46,000 – 575,000 sqft, a 50,000 sqft trade park of 7units ranging in size from 5,000 -10,000 sqft, and a 60 bed Hotel & Pub development</p> <p>It forms an extension to Aycliffe Business Park, creating the largest industrial estate in the North East region.</p> | <p>A Joint venture – Forrest Park (Newton Aycliffe) Ltd – between DCC and the Forrest Family.</p> <p>Development Partner is Richardson Barberry</p> | <p>DCC and NELEP funded £13m infrastructure works to create a new signalised junction and electricity substation, in order to open up the site for development.</p> | <p>10-15 Year Development Programme</p> <p>Outline planning permission granted for 1.75m sqft buildings on the site mostly for general industrial, storage and distribution uses, with some roadside retail, food and trade counter use at the site entrance.</p> <p>A reserved matters application has now been submitted (summer 2022) for the erection of 8 industrial units that will deliver 79,419sqm of Class E(g)(ii)(iii), B2 and B8 floorspace. Site preparation works are proposed and details are</p> | <p>Aimed at businesses in the warehousing, logistics and manufacturing sectors.</p> <p>Front Plot – Petrol Filling Station, retail units and KFC drive thru restaurant</p> | <p>Target 3,200 jobs</p> |

| | | | | expected in Q3 23/24. | | |
|---|--|---|--|--|--|--|
| Strategic Site | Description | Owner/Developer | Public sector role | Timescale | Sector/Industry | Jobs |
| A1 Corridor (continued) | | | | | | |
| <p>NETPark Phase 3</p> <p><u>Location:</u> Just off the A177 at Sedgefield</p> <p><u>Website</u> https://www.northeasttechnology park.com/</p> | <p>A 26 hectare site to expand the existing science park, with 13 hectares of serviced land available for the next phase of development.</p> <p>232,150 sqft of new laboratory, office, production and storage space being developed to facilitate the growth of existing NETPark tenants and attract new inward investment.</p> | <p>DCC owns the land and the existing buildings at NETPark are managed by Business Durham.</p> <p>DCC agreed to invest in the £61.6m Phase 3 development, with £3.9m from NELEP</p> | <p>The NETPark site has been developed by DCC over 15 years with European funding support and funding from the NELEP Local Growth Fund.</p> <p>NELEP provided £5.1m funding to put in a road and site servicing to open up the land for the Phase 3 development.</p> <p>NELEP added a further £3.9m to fill a viability gap as construction inflation hit in 2023.</p> | <p>Start on Site July 2023 with units available from Jan 2025.</p> | <p>Science and technology businesses, including in the semi-conductor, advanced electronics, space and satellite, and health and life sciences sectors.</p> <p>Tenants to date (Phases 1 & 2): 40 businesses including Kromek, Filtronic, Ibex Innovations, Polyphotonix, PragmatlC, Wootzano, Evinco Technology, Redditch Medical, Northumbria Pharma.</p> <p>Interest from several tenants in taking new facilities on Phase 3</p> | <p>Target (1,250 jobs (Phase 3))</p> <p><u>To date:</u> 700 jobs</p> |

| Strategic Site | Description | Owner/Developer | Public sector role | Timescale | Sector/Industry | Jobs |
|--|---|--|--|---|---|--|
| A1 Corridor (continued) | | | | | | |
| <p>Integra 61</p> <p><u>Location:</u> Bowburn at Junction 61 off the A1 and opposite Durham Services</p> <p><u>Website:</u> https://integra61.co.uk/</p> | <p>83 hectare mixed use site adjacent to the A1(M).</p> <p>£300m mixed use development will provide a total of three million sqft of industrial and logistics space, 300 new homes and 50,000ft² of roadside opportunities, including a family pub/restaurant, hotel, drive-thru, trade counter units, car showrooms, a care home and a nursery.</p> | <p>Citrus Group is the owner and developer of the site, supported by agents Avison Young and Colliers.</p> | <p>NELEP and DCC funded £7m infrastructure works to improve access to the site and address congestion and safety issues.</p> | <p>Phase 1 recently completed with Amazon taking 2,000,000 sqft at a cost of circa £150m.</p> <p>In Summer 2022, work on site began on 5 buildings, totalling 640,000 sqft, due to be ready for September 2023.</p> | <p>Aimed at being a premier industrial and logistics hub.</p> <p><u>Tenants to date:</u> Amazon has located its second robotics fulfilment centre in the North East at the site, one of the largest distribution centres in the UK, creating around 1,000 jobs.</p> | <p>Target 5,000 jobs</p> <p><u>To date:</u> 1000+ jobs</p> |

| Strategic Site | Description | Owner/Developer | Public sector role | Timescale | Sector/Industry | Jobs |
|--|---|---|--|--|---|---|
| A1 Corridor (continued) | | | | | | |
| <p>Aykley Heads</p> <p><u>Location:</u> Durham City</p> | <p>A 62 hectare site that would be made available for development by the relocation of the council from the site.</p> <p>Opportunity to develop an Innovation District and high quality office space at a successful business location, home to existing occupiers including Atom Bank, Waterstons, Durham Constabulary and the North East Chamber of Commerce, amongst others.</p> | <p>Site owned by DCC.</p> <p>Durham University are interested in being a key partner.</p> <p>Soft market testing was undertaken in 2022 which showed strong investor/developer confidence. A report is being prepared for Cabinet which if approved will see procurement of a partner to take forward Aykley Heads. The procurement exercise will run from September 23 to November 24. Development on the site could</p> | <p>Development of the first building on the site 'Plot C' is being funded by DCC. The Council also propose a Joint Venture Partnership with an investor/developer to develop the site out.</p> | <p>Work began on Plot C in March 2021 and is now nearing completion.</p> <p>Cabinet Report for September 2023 with a view to procure an investor/development partner..</p> | <p>Vision is to attract innovation and knowledge-rich businesses, including those in the fintech and digital sectors.</p> | <p>Target up to 4,000 jobs with future potential for a further 2000 jobs, subject to necessary consents</p> |

| | | commence in 2025. | | | | |
|---|---|---|---|--|---|--|
| Strategic Site | Description | Owner/Developer | Public sector role | Timescale | Sector/Industry | Jobs |
| A19 Corridor | | | | | | |
| Jade Business Park <u>Location:</u> Murton next to Dalton Park retail outlet off the A19 <u>Website:</u> http://www.jade-park.co.uk/ | 19 hectare site reclaimed from Hawthorn colliery and cokeworks. <u>Phase 1:</u> 7 new industrial units, totalling 155,000 sqft. Tenants benefit from Enterprise Zone (EZ) status (5 years business rates discount) <u>Phase 2:</u> Capacity to deliver a further 550,000 sq ft of industrial space | DCC owns the freehold and funded the speculative development of Phase 1. Units built by Highbridge Developments, which has an option agreement on the land; supported by Regional agent HTA and National agent CBRE. | As one of the Enterprise Zone (EZ) sites in the region, NELEP funded £11m infrastructure works. DCC funded the £14m development of the Phase 1 units, which are managed by Business Durham. Phase 2 will be developed directly by Highbridge Developments with 10% gap funding from DCC and NELEP | Phase 1 units completed August 2020 and now fully let. Outline planning permission for Phase 2 approved October 2022. | Aimed at businesses in the advanced manufacturing, technology and distribution sectors. <u>Tenants to date:</u> Sumitomo Electric Wiring Systems Europe (SEWS-E) – <i>manufacture of wiring components for the automotive sector</i> CoreHaus – <i>manufacture of innovative modular housing solutions</i> Power Roll – <i>manufacture of lightweight, low-cost solar film for renewable energy generation</i> ARGLA – <i>design and manufacture of bespoke architectural glass</i> <i>Low Carbon Materials – innovative use of plastic</i> | Target 1,000 jobs <u>To date:</u> 160 jobs |

| | | | | | | |
|--|--|--|--|--|---|--|
| | | | | | <i>waste in construction material.</i> <i>RG Distributors – sale and distribution of catering equipment.</i> | |
|--|--|--|--|--|---|--|

Strategic Sites Update

Economy & Enterprise Overview and Scrutiny – 18 September 2023

Amy Harhoff
Corporate Director of Regeneration, Economy and Growth



The presentation sets out...

- County Durham economic context
- What employment land do we have?
- What are strategic employment sites?
- What are our other major employment sites?
- How do we support businesses and jobs?
- How do we attract investment?
- Conclusion and questions

County Durham Economic context



County Durham Economic Context



£9 billion economy (25% of NEMCA)



521,000 residents (27% of NEMCA)



182,000 jobs (20% of NEMCA)



93,000 high-skilled workers



15,000 businesses (22% of NEMCA)



20,000+ students

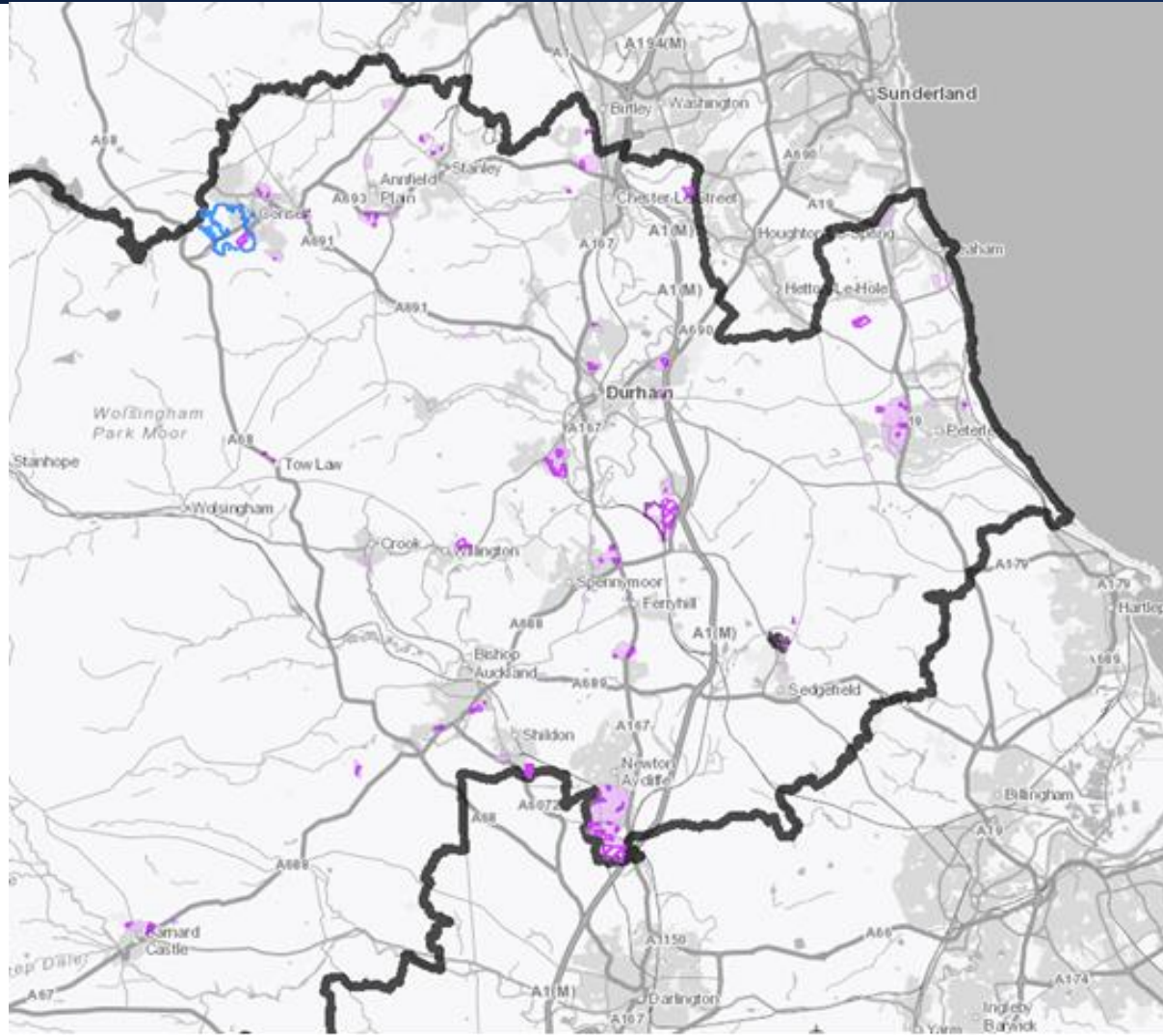
Opportunities

- Key sector specialisms
- Skilled workforce
- High land availability
- Strategic location
- Rail/road transport links
- World leading university
- North East Space Hub
- Devolution

County Durham

What employment land do we have?

Distribution of Employment Land



-  Existing employment sites
-  Allocated employment land
-  Safeguarded employment land
-  Project genesis boundary

182,000 jobs across
15,000 businesses with
300,000ha allocated for
future new employment
use

Location of Employment Land

- The County contains two principal market areas:
 - A1 Corridor – the key industrial location (including Durham City – the key office market)
 - A19 Corridor – secondary industrial and office location
- The Employment Land Review to support the County Durham Plan recommended land allocations be concentrated in these areas
- Also important to maintain a supply within the more localised markets such as Bishop Auckland, Consett, Barnard Castle and surrounding settlements

Employment Land allocated in County Durham Plan

In order to meet demand and to provide sufficient flexibility the County Durham Plan:

- Protects **106 existing industrial estates** for employment uses
- Allocates **300 hectares of new land** for business and industry
- Safeguards **78 hectares for the future expansion** of NETPark and Integra 61

The allocations consist of:

- undeveloped areas of land located on existing employment sites
- extensions to existing industrial sites
- new employment locations
- ‘strategic sites’ that are entirely new, significant in size or regionally important

Approved and Completed Employment Land

- Employment land continues to be approved and new employment land developed

| Monitoring Year | Total Approved (hectares) | Total Completed (hectares) |
|-----------------|---------------------------|----------------------------|
| 2018/19 | 16 | 10.5 |
| 2019/20 | 62.4 | 17.3 |
| 2020/21 | 18.7 | 36.7 |
| 2021/22 | 29.9 | 5.5 |
| 2022/23 | 27.3 | 13.3 |
| Total | 154.3 | 83.3 |

Identifying future employment land

- County Durham Plan adopted October 2020
- National requirement to review every 5 years
- Levelling Up and Regeneration Bill currently going through parliament (expected enactment by end of October). Includes major reforms to local plan preparation process
- Secondary legislation and guidance expected next year
- As a result may look to begin review of the County Durham Plan later next year
- New Plan will require new evidence base including new Employment Land Review
- Will include up to date assessment of demand and supply of employment land and inform new allocations if required

County Durham

What are strategic employment sites?

What is a strategic employment site?

- Strategic employment sites are those that:
 - Have significant land identified for growth
 - Are in strategically important locations
 - Are of regional (and sometimes national) importance
 - Provide a clear high profile inward investment pitch for the County

Strategic Employment Sites



Where are the strategic employment sites?

| | Potential site size | Potential floorspace (m2) | Current jobs | Potential total jobs |
|---------------------|---------------------|---------------------------|-------------------|----------------------|
| NETPark | 77 hectares | 114,000 | 700 | 4,000 |
| Aykley Heads | 15 hectares | 38,000 | | 4,000 |
| Jade | 19 hectares | 65,000 | 160 | 1,000 |
| Forrest Park | 55 hectares | 160,000 | 35 | 3,280 |
| Integra 61 | 83 hectares | 266,000 | 1,000 plus | 5,000 |
| Total | 249 hectares | 643,000 m2 | 1,895 plus | 17,280 |



NETPark

- Region's premier science park supporting high value jobs opened in 2004
- Over 40 companies employing over 600 people
- Phases 1 and 2 is fully occupied by 40 hi-tech companies and employing over 600 people
- Phase 3 starts on site next week, providing 1,250 new jobs and a further 2,000 plus in the local supply chain and ecosystem
- Once fully complete it would cover a 44 hectare site, providing between 3,000 and 4,000 jobs in high pay sectors
- Already home to Three national innovation centres: National Formulations Centre, National Centre for Healthcare Photonics & National Centre for Printable Electronics.
- Three National Catapult Centres – High Value Manufacturing; North East Satellite Applications Centre of Excellence; compound semiconductor
- Home to North East Space Hub

NETPark phase 3

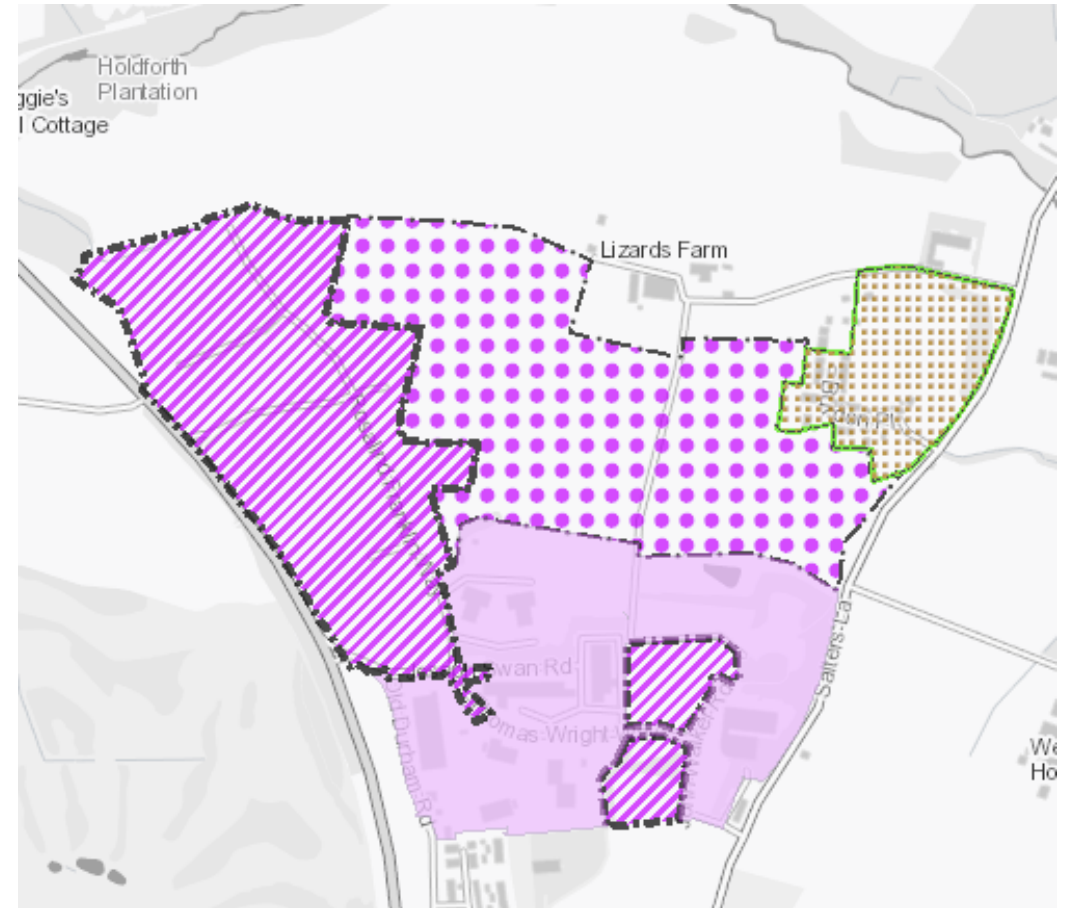
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- £61.6m investment in new lab space and scale-up production facilities
- 232,150 sq feet of workspace that could expand the space cluster
- Potential for a North East Space Hub
- Work will start on site in July 2023
- First units will complete in January 2025
- Creating up to 1,250 new skilled jobs and £625m of GVA



NETPark future development potential

- Phase 3b – a further 16 hectares
- Phase 4 - 16 hectares safeguarded in the Local Plan
- 28 further hectares of undesignated land to the north for future potential development
- Total development potential of 77 hectares

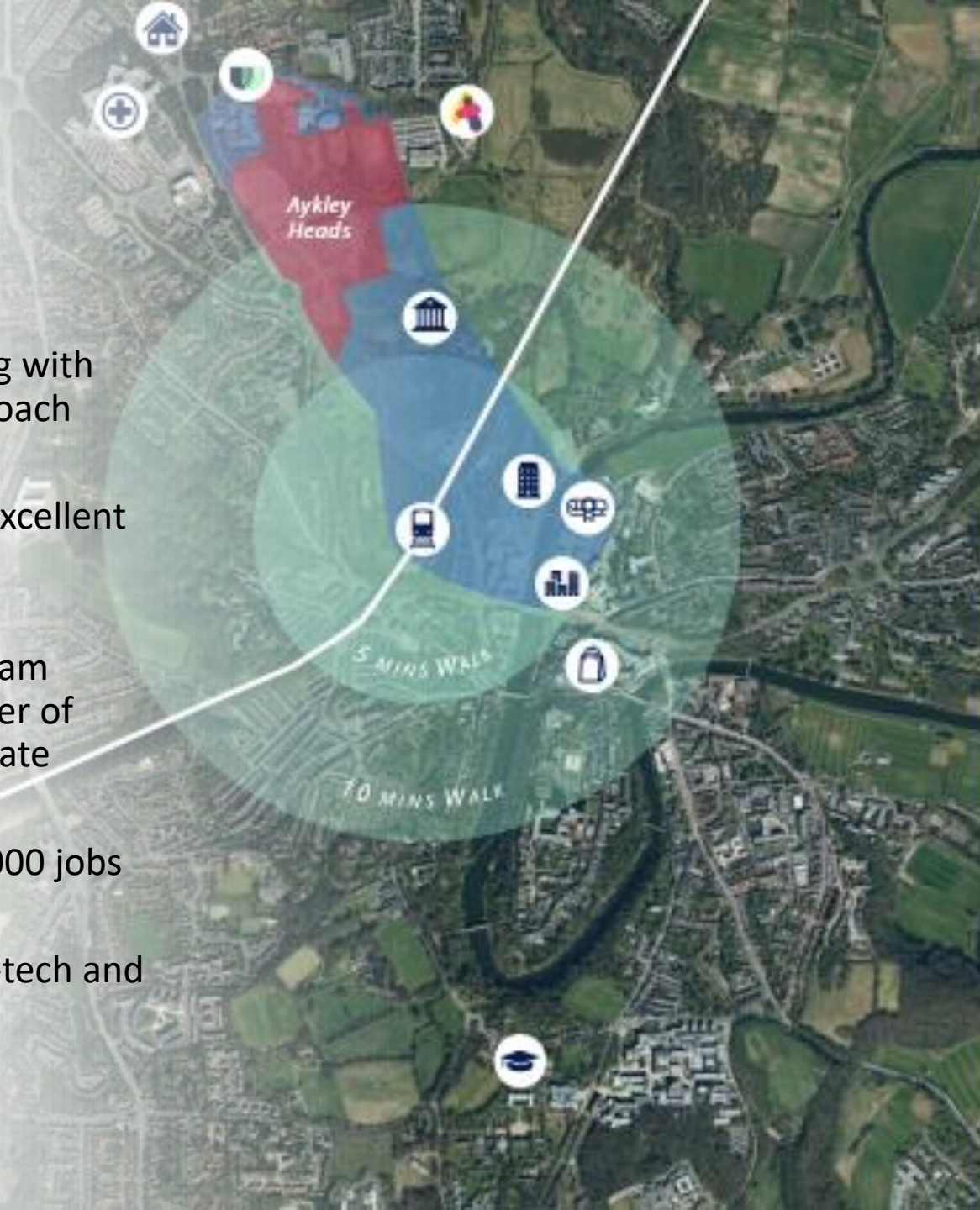


Durham Innovation District

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Aykley Heads – 15 hectare site

- Major new 60 ha Innovation District, partnering with Durham University to create a triple-helix approach
- Centred around Durham railway station, with excellent north/south and cross-country connectivity
- Build around existing anchors institutions Durham University Business School, Atom Bank, Chamber of Commerce, NHS, new DLI Museum & Milburngate
- £100m plus development with potential for 4,000 jobs
- Focused on key capabilities in data science, fin-tech and geo-thermal
- Taking to the market in Summer 2023



- Durham Train Station
- Durham Light Infantry Museum
- Milburngate
- HMPO & NS&I
- Durham Business School
- Durham University
- Durham City Centre
- Durham Hospital
- Sniperley Park
- Atom Bank
- Waterstones
- East Coast Mainline

- Campus style mature woodland setting
- Part of a city centre innovation development zone
- Two epicentres within 20 minutes walk, either side of the station
- Key links to University Business School
- Potential to build an existing high-profile occupiers
- Major new residential

Aykley Heads

Market ready
proposition



Strategic location of regional and national significance



Excellent transport links



Partnership with globally significant research university



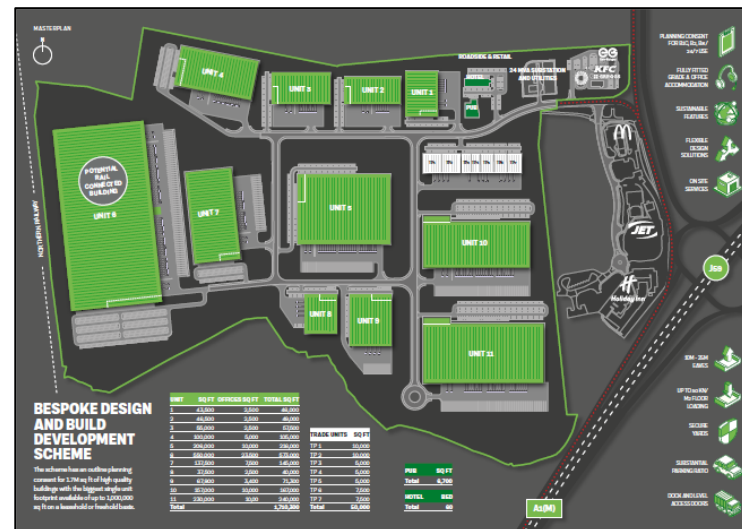
Existing innovation led employers and sectors



Single council owned site and ready for delivery

Forrest Park, Aycliffe

- 55 hectare site
- Potential for 160,000 of floor space
- Up to 3,280 jobs
- Outline planning permission was granted in 2019
- Already delivered a new Euro Garages service station, a Greggs and a KFC
- Reserved matters application was approved October 2022 for the erection of 8 industrial units
- Barberry Richardson are preparing to bring this first phase forward and will be submitting detailed development proposals in quarter 3, 23/24
- will target businesses in the warehousing, logistics and manufacturing sectors



Integra 61, Bowburn

- 83 hectares
 - Up to 280,000 sqm of floor space
 - Mixed use development
 - 5,000 potential jobs overall
-
- Amazon opened in 2020 in a 186,000sqm (2 million sqft) unit creating 1000 jobs
 - Work underway on 5 buildings, in a venture between developers, Sunrise and Citrus with units totalling 640,000 sqft and ranging from 43,000 to 298,000. To be complete September 2023
 - Costa Coffee and Greggs also completed on the site



Jade Business Park, Murton

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- 19 hectares
- Enterprise Zone
- Up to 1200 jobs
- First phase funded by the Council - 7 units totalling 15,000 sqm built in 2020 now fully let to Corehaus, Sumitomo Electric Wiring Systems, Power Roll, ARGLA, Sphera, RG Distributors
- Developer to fund Phase 2, further 51,000sqm
- Developer and agents are pursuing enquiries for large, single occupants on the large plot to the east of Phase 1
- 160 current jobs on site, next phase has the potential to generate 1000 jobs



County Durham

What are our other major employment sites?

Where are our other major existing employment sites?

- 1,500 hectares of existing employment land is protected in the County Durham Plan
- Aycliffe Business Park which covers 400 hectares and is home to over 500 businesses alone, employing around 10,000 people
- Peterlee North West Industrial Estate, Peterlee South West Industrial Estate, and Seaham Spectrum Business Park
- Concentrations of employment in more localised markets around Bishop Auckland, Spennymoor, Consett, Stanley, Chester le Street and Durham City.
- Barnard Castle, in the rural west of the county, also contains some large employment sites and employers including Glaxo Smith Kline

Additional recent and future developments

Council involved in the development of other sites in the County including:

- Station Place at Merchant Park - 10 new industrial units completed in November 2022 and managed by Business Durham under a head lease
- Further development by Merchant Anglo could see an additional 27,870 sqm of space available in the next twelve months
- Development of 4,000sqm of small industrial units at South Church Enterprise Park due on site Spring 2024
- Planning application at Drum Industrial Estate to develop the remaining 12 acre site for occupation by a business looking to relocate & expand its Gateshead operation
- At Bracken Hill Business Park, FI Real Estate looking to re-purpose former call centres for general industrial/warehousing uses. Made start with the demolition of a large office and construction of a courtyard of small industrial units

Rural employment land

- Employment exception site policy included in County Durham Plan
- The Rural England Prosperity Fund (REPF) is integrated into the UK Shared Prosperity Fund (UKSPF)
- Supports activities that specifically address the particular challenges rural areas face
- Funds capital projects for small businesses and community infrastructure
- A total of £600,000 is available, recently undertook a call for projects
- Funding also available to develop and promote the visitor economy
- Improving infrastructure through Project Gigabit, a £6.6m contract to provide over 4,000 rural Teesdale properties with full fibre gigabit-capable broadband by late 2025

County Durham

How do we support businesses and jobs?



Supporting businesses and creating and safeguarding growth

- Business Durham directly manages a property portfolio of 503 units, including offices and industrial
- Direct capital investment and delivery of new space (eg £62m NETPark phase 3)
- Aykley Heads about to be taken to the market as a new innovation district
- Support private sector delivery of other strategic sites (Jade phase 2, Forrest Park, Integra 61)
- Deliver comprehensive package of support to existing business to grow and business start-ups
 - Engage and support circa 1,000 businesses each year
 - Safeguarded and created 1,986 jobs in 2022/23
 - Durham City Incubator has supported 72 high growth start ups
 - 30 businesses have received investment through Finance Durham to date
- Deliver and administer UK SPF programme

Supporting private sector growth

The market delivers jobs and the County Council alongside central government support the conditions for growth. In County Durham there are a number of activities to enable and facilitate employment and overall inclusive growth:

- Ensure an up-to-date local plan with a clear land supply to meet the needs and opportunities for the county
- Deliver the Inclusive Economic Strategy to support jobs and growth
- Support the transport system and accessibility for new sites for example our enhanced support for subsidised bus services
- Secure funding for and in some cases administer skills and development programmes for example UK Shared Prosperity Programmes

Providing investment and funding

- Apply for central government and devolution funding to unlock development
- Directly support or deliver key sites and property where there is a clear case for investment for example Aykley Heads and NETPark
- Provide comprehensive business support programmes including grants and access to finance to support business growth such as Finance Durham
- Support businesses and development in more difficult market areas

Business networks

- Business Durham facilitates business networks focused on the main employment locations across the County:
 - Aycliffe Business Park Community,
 - East Durham Business Network (covering the business parks/industrial estates at Peterlee and Seaham)
 - Drum Business Park Group
 - Bishop Auckland and Shildon Business Network.
- Effective mechanism to engage and interact with the businesses located there, to connect businesses with support to enable them to sustain and grow, and to identify issues, such as availability of suitable premises.
- Gather intelligence on demand and supply to identify future employment site requirements and development.

Account management approach

- Provides an opportunity to regularly talk through the growth plans of individual companies in the county and identify in good time where this will involve a premises requirement.
- Helping companies to explore options, e.g. existing premises on the same site, taking additional units nearby or relocating to new premises that better meet the longer term growth requirements of the business.
- Provide a publicly available online property database which keeps an up-to-date picture of available land and premises
- Provide direct support to relocate business to new premises as their business grows e.g. Pragmatic

County Durham

How do we attract investment?



Attracting Inward Investment

Key considerations in attracting inward investment:

- Land and premises opportunities
- People and skills
- Cost effective location
- Strong business base
- Supply chain opportunities in key sectors
- Transport and connectivity
- Lifestyle

How do we support inward investment?

- Promote and drive interest in the key sectors to intermediaries and potential occupiers
- Raise the profile of County Durham nationally, e.g attendance at UKREiiF
- Bespoke approach tailored to the needs of each enquiry, including:
 - Up to date information on land and premises options
 - Support and provide guidance such as planning and legal requirements
 - Support and navigate funding and finance options, e.g. Finance Durham Fund
 - Offer skills and employment support programmes
- Number of Inward investment enquiries (2022/23) = **59**
- Number of Inward investment projects secured (2022/23) = **14**
- Jobs created from inward investment projects secured (2022/23) = **199**

Conclusions

Conclusions



County Durham is the major driver of the North East economy, with a functioning economy that crosses the Tees Valley and York and North Yorkshire MCAs



We have huge opportunity for innovation led growth



Clear strategy, allocated land and an existing skills base



Our strategic sites continue to deliver new jobs



Teams across the Council work to overcome barriers to delivery and support inward investment

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**Economy and Enterprise Overview and
Scrutiny Committee**

18 September 2023

**Regeneration, Economy and Growth –
Quarter 4: Revenue and Capital Outturn
2022/23**



Report of Corporate Directors

Paul Darby, Corporate Director of Resources

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

Electoral division(s) affected:

Countywide

Purpose of the Report

1. To provide details of the final revenue and capital outturn position for the Regeneration, Economy and Growth (REG) service grouping in 2022/23, highlighting major variances in comparison with the budget.

Executive Summary

2. In 2022/23 the service reported a cash limit variance (overspend) of £0.698 million against a revised budget of £57.778 million. This compares to the previously forecast position (at quarter 3) of a £0.586 million overspend for the year.
3. The REG Cash Limit balance carried forward at 31 March 2023 is £1.373 million. Other earmarked reserves under the direct control of REG total £25.297 million at 31 March 2023.
4. Capital expenditure incurred in 2022/23 was £76.159 million, representing 89.9% of the revised REG capital budget of £84.734 million. A request was made to the Member Officer Working Group to carry forward the £8.575 million underspend to the current year to augment the 2023/24 Capital Programme.
5. Details of the reasons for under and overspending against relevant budget heads are disclosed in the report.

Recommendation(s)

6. Economy and Enterprise Overview and Scrutiny Committee is requested to note the final outturn position against the 2022/23 revenue and capital budgets.

Background

7. County Council approved the Revenue and Capital budgets for 2022/23 at its meeting on 23 February 2022. These budgets have since been revised to account for grant (additions/reductions), budget transfers, and budget re-profiling between years (in terms of capital) as well as corporately recognised budget pressures). This report covers the financial position for the following budgets of the services within the scope of this committee;
 - (a) Revenue Budget - £57.778 (original £54.934 million)
 - (b) Capital Programme – £84.734 million (original £129.318 million).

Revenue

8. The original revenue budget of £54.934 million has been revised to incorporate a number of budget adjustments and the final revised budget for the service is £57.778 million.
9. The summary financial statements contained in the report cover the financial year 2022/23 and show:
 - (a) The approved annual budget;
 - (b) The forecast income and expenditure as recorded in the Council's financial management system;
 - (c) The variance between the annual budget and the actual outturn;
 - (d) For the revenue budget, adjustments for items outside of the cash limit (outside of the Service's control) to take into account such items as capital charges and use of / or contributions to earmarked reserves.

Revenue Outturn 2022/23

10. The service is reporting a cash limit overspend of **£0.698 million** against the revised budget of **£57.778 million** (1.21%).
11. The table below compares the forecast outturn with the budget by Head of Service. A further table is shown at Appendix 2 analysing the position by Subjective Analysis (i.e. type of expense).

Analysis by Head of Service £'000s

| Head of Service | Revised Annual Budget | Outturn | Variance | Items Outside Cash Limit | Earmarked Reserves | Net Inflation Adjustment | Cash Limit Variance |
|---------------------------|-----------------------|----------------|---------------|--------------------------|--------------------|--------------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Business Durham | (374) | (1,377) | (1,003) | 274 | 730 | 0 | 0 |
| Economic Development | 1,415 | 2,818 | 1,404 | (428) | (942) | (33) | 0 |
| Corporate Property & Land | 5,411 | 51,797 | 46,386 | (48,787) | 2,671 | (367) | (98) |
| Culture Sport & Tourism | 15,796 | 33,163 | 17,368 | (7,666) | (7,562) | (2,084) | 56 |
| Planning and Housing | 5,585 | 5,903 | 318 | (432) | 1,690 | (709) | 868 |
| Transport & Contract | 1,307 | 9,584 | 8,277 | (6,779) | 86 | (862) | 723 |
| Communications Mgt | 1,947 | 1,773 | (174) | (53) | (24) | (65) | (315) |
| REG - Central Costs | 26,692 | 7,029 | (19,668) | 19,289 | (156) | (1) | (536) |
| Total | 57,778 | 110,690 | 52,909 | (44,582) | (3,508) | (4,121) | 698 |

13. The cash limit overspend of £0.698 million takes into account adjustments for sums outside the cash limit such as redundancy costs that are met from corporate reserves, year-end capital accounting entries and use of / contributions to earmarked reserves.

Cash Limit Outturn – Explanation of Over and Under Spending

- 14 The main reasons accounting for the outturn position are as follows:
- (a) Culture Sport and Tourism is an overspend of £56,000 against budget. The main reasons are a reduction in fine and reservation income in libraries £90,000 and an unrealised MTFP saving of £0.136 million pending the full year effect of the current service restructure. A one-off benefit arising from the agreement to take full control of the gym facilities at 7 of our leisure centres is offset by a projected overspend at Consett Leisure Centre.
 - (b) Business Durham is in line with budget after a £0.211 million contribution to reserves, largely as a result of higher than anticipated occupancy rates across a range of Business Space sites.
 - (c) Transport and Contracted Services is an overspend of £0.723 million against budget. In Strategic Traffic there is an overspend on Parking Services £0.220 million, traffic control measures for events £42,000, bus shelter advertising income loss £0.130 million higher than anticipated, NNDR costs for a multi storey car park £90,000 and a charge for apprentices of £60,000. In addition, there were one off costs for Wheels to Work and a Service Database totalling £91,000, in addition to minor over/underspends across the service.
 - (d) Planning and Housing is an overspend against budget by £0.868 million. This is the net impact of overspends in Housing Solutions

primarily relating to temporary accommodation £0.737 million, and Care Connect on staffing and under-achieved income in relation to the subsidised client income stream £0.456 million; and underspends in Planning Development £0.119 million resulting from higher than budgeted levels of income from planning/building control fees and staffing vacancies, and Spatial Policy £0.136 million relating to staffing vacancies.

- (e) Economic Development was on budget with only minor over and underspends across the service.
 - (f) Corporate Property and Land is an underspend of £98,000 against budget. This results from an overall underspend in Strategy & Property Management of £0.118 million, largely attributable to lower costs associated with vacant buildings & land and the Energy Centre at Freeman's Reach. The position is partially offset by minor overspends elsewhere within the service.
 - (g) Communications Management is an underspend against budget of £0.315 million against budget due to the volume of staff turnover and subsequent vacant posts experienced during 2022/23.
 - (h) Central Costs is an underspend of £0.536 million against budget pending a re-allocation of budget to services which will be actioned in quarter one 2023/24.
- 15 The outturn position has been adjusted by £44.582 million relates to a range of adjustments associated with year-end accounting entries for capital charges, centralised repairs and maintenance and central administration recharges as well as a small number of other agreed sums outside the cash limit funded from corporate contingencies, £3.508 million relating to contributions to and from reserves and £4.121 million net inflation adjustment.
- 16 The Cash Limit Reserve carried forward for Regeneration, Economy and Growth is £1.373 million after taking the outturn position into account.
- 17 In summary, the service grouping reported an overspend of £0.698 million and is taking measures to reduce this in 2023/24.

Capital Programme

18. The capital programme makes a significant contribution to the regeneration ambitions of County Durham. The programme is relatively large and diverse and is managed by project delivery officers throughout the service.

19. The Regeneration, Economy and Growth Services capital programme was revised for budget re-phased from 2021/22. This increased the 2022/23 original budget to a level of £129.318 million. Since then, reports to the MOWG have detailed further revisions, for grant additions/reductions, budget transfers and budget re-profiling into later years. The final capital budget was **£84.734 million**.
20. Summary financial performance for 2022/23 is shown below.

| Service | Revised Annual Budget 2022/23 £000 | Actual Spend to 31 March £000 | Remaining Budget 2022/23 £000 |
|---------------------------------|---|--------------------------------------|--------------------------------------|
| Culture, Sport and Tourism | 19,683 | 16,064 | 3,619 |
| Economic Development | 7,883 | 8,261 | (378) |
| Planning and Housing | 23,702 | 23,523 | 179 |
| Business Durham | 4,162 | 3,200 | 962 |
| Corporate Property & Land | 14,475 | 14,120 | 355 |
| Transport & Contracted Services | 14,829 | 10,991 | 3,838 |
| Total | 84,734 | 76,159 | 8,575 |

21. Actual spend for 2022/23 amounts to **£76.159 million**. **Appendix 3** provides a more detailed breakdown of spend.
22. The key areas of spend during the year to date are on Office Accommodation (£8.952 million), Housing Renewal (£14.530 million) and Culture and Museums (£10.923 million).

Background papers

- a) County Council Report (23 February 2022) – [Medium Term Financial Plan 2022/23 to 2025/26 and Revenue and Capital Budget 2021/22](#)
- b) Cabinet Report (14 September 2022) – [Forecast of Revenue and Capital Outturn 2022/23 - Period to 30 June 2022](#)
- c) Cabinet Report (16 November 2022) – [Forecast of Revenue and Capital Outturn 2022/23 - Period to 30 September 2022](#)
- d) Cabinet Report (15 March 2023) – [Forecast of Revenue and Capital Outturn 2022/23 - Period to 31 December 2022](#)
- e) Cabinet Report (12 July 2023) – [2022/23 Final Outturn for the General Fund and Collection Fund](#)

Contact:

Ed Thompson – Finance Manager Tel: 03000 263 481

Appendix 1: Implications

Legal Implications

The consideration of regular budgetary control reports is a key component of the Council's Corporate and Financial Governance arrangements. This report shows the spend against budgets agreed by the Council in February 2022 in relation to the 2022/23 financial year.

Finance

Financial implications are detailed throughout the report which provides an analysis of the revenue and capital outturn position.

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

Not applicable.

Climate Change

Not applicable.

Human Rights

Not applicable.

Crime and Disorder

Not applicable.

Staffing

Not applicable.

Accommodation

Not applicable.

Risk

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

Procurement

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

Appendix 2: Regeneration, Economy and Growth Outturn 2022/23 – Subjective Analysis

| REG Subjective analysis | Revised Annual Budget | Outturn | Variance | Items Outside Cash Limit | Earmarked Reserves | Net Inflation Adjustment | Cash Limit Variance |
|--------------------------------|------------------------------|----------------|-----------------|---------------------------------|---------------------------|---------------------------------|----------------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Employees | 70,447 | 70,132 | (315) | 485 | 0 | (2,433) | (2,263) |
| Premises | 19,444 | 23,833 | 4,388 | 151 | 0 | (1,088) | 3,451 |
| Transport | 1,674 | 1,976 | 303 | (100) | 0 | (600) | (397) |
| Supplies & Services | 22,828 | 31,941 | 9,113 | (312) | 0 | 0 | 8,802 |
| Third Party Payments | 45,626 | 53,154 | 7,529 | 0 | 0 | 0 | 7,529 |
| Transfer Payments | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital | 15,217 | 95,107 | 79,890 | (79,890) | 0 | 0 | 0 |
| Central Support and Other | 11,696 | 12,193 | 496 | (1,252) | (3,508) | 0 | (4,263) |
| DRF | 280 | 4,240 | 3,960 | 0 | 0 | 0 | 3,960 |
| Grant | (8,634) | (11,386) | (2,752) | 0 | 0 | 0 | (2,752) |
| Contributions | (18,241) | (19,265) | (1,024) | 0 | 0 | 0 | (1,024) |
| Sales | (2,566) | (1,953) | 609 | 0 | 0 | 0 | 609 |
| Charges | (27,452) | (34,192) | (6,740) | 0 | 0 | 0 | (6,740) |
| Rents | (9,427) | (16,102) | (6,676) | 0 | 0 | 0 | (6,676) |
| Recharges | (62,244) | (64,362) | (2,118) | 2,182 | 0 | 0 | 64 |
| Other Income | (871) | (34,625) | (33,755) | 34,153 | 0 | 0 | 398 |
| Total | 57,778 | 110,690 | 52,909 | (44,582) | (3,508) | (4,121) | 698 |

Appendix 3: Regeneration, Economy and Growth Capital Programme 2022/23

| | Revised Annual Budget £000 | Actual Spend to 31 March £000 | Remaining Budget £000 |
|---------------------------------------|---|--|--------------------------------------|
| General Fund | | | |
| Planning & Housing | | | |
| Disabled Facilities Grant /FAP | 7,231 | 8,340 | (1,109) |
| Housing Renewal | 15,879 | 14,530 | 1,349 |
| Housing Development | 580 | 649 | (69) |
| Minor Schemes (P&H) | 12 | 4 | 8 |
| | 23,702 | 23,523 | 179 |
| Economic Development | | | |
| Chapter Homes | 260 | 100 | 160 |
| North Dock, Seaham | 25 | 25 | 0 |
| Town Centres | 3,187 | 2,422 | 765 |
| Town & Village Centre | 1,168 | 1,325 | (157) |
| Minor Schemes | 180 | 180 | 0 |
| Beamish Capital Project | 2,609 | 3,709 | (1,100) |
| Forrest Park | 400 | 500 | (100) |
| Strategy & Programmes Minor Schemes | 55 | 0 | 55 |
| | 7,883 | 8,261 | (378) |
| Business Durham | | | |
| Industrial Estates | 4,162 | 3,200 | 962 |
| | 4,162 | 3,200 | 962 |
| Corporate Property and Land | | | |
| Structural Capitalised Maintenance | 3,081 | 2,657 | 424 |
| Milburngate | 3,109 | 2,511 | 598 |
| Office Accommodation | 8,285 | 8,952 | (667) |
| | 14,475 | 14,120 | 355 |
| Transport | | | |
| Local Transport Plan | 2,420 | 2,538 | (118) |
| Transport Major Schemes | 11,978 | 7,928 | 4,050 |
| T&CS Minor Schemes | 431 | 525 | (94) |
| | 14,829 | 10,991 | 3,838 |
| Culture, Sport and Tourism | | | |
| AAP Schemes | 5 | 5 | 0 |
| Culture and Museums | 12,927 | 10,923 | 2,004 |
| Leisure Centres | 6,718 | 5,136 | 1,582 |
| Outdoor Sports and Leisure Facilities | 34 | 0 | 34 |
| | 19,683 | 16,064 | 3,619 |
| REG Total | 84,734 | 76,159 | 8,575 |

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Economy and Enterprise Overview and Scrutiny Committee

18 September 2023



Regeneration, Economy and Growth – Quarter 1: Forecast of Revenue and Capital Outturn 2023/24

Report of Corporate Directors

Paul Darby, Corporate Director of Resources

Amy Harhoff, Corporate Director of Regeneration, Economy and Growth

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide details of the forecast outturn position for quarter 1 revenue and capital for Regeneration, Economy and Growth (REG) as at 30 June 2023.

Executive summary

- 2 This report provides an overview of the forecast of outturn, based on the position at quarter 1, 2023/24. It provides an analysis of the budgets and forecast outturn for the service areas falling under the remit of this Overview and Scrutiny Committee and complements the reports considered and agreed by Cabinet on a quarterly basis.
- 3 The position is that there is a forecast overspend of £0.868 million, against a revised budget of £54.428 million.
- 4 Energy prices are falling quicker than originally predicted and the forecast underspend on utilities of £1.082 million has been treated as inflationary sums outside the cash limit.
- 5 The service is forecast to require funding of £1.967 million from central contingencies to support anticipated budget shortfalls with regard to £0.994 million anticipated leisure centre income general reductions, £0.646 million leisure centre income reductions due to transformation, £90,000 chief officers and apprentice pay award for 2023/24, £95,000

Health & Safety radon works, £95,000 double running costs of premises and £47,000 legal / professional fees for the Milburngate development.

- 6 The revised service capital budget is £135.867 million with expenditure of £9.702 million as at 30 June 2023.
- 7 Details of the reasons for under and overspending against relevant budget heads are disclosed in the report.

Recommendation(s)

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

Background

9 County Council approved the Revenue and Capital budgets for 2023/24 at its meeting on 22 February 2023. These budgets have since been revised to account for grant additions/reductions, budget transfers, and budget re-profiling between years (in terms of capital) as well as corporately recognised budget pressures. This report covers the financial position for the following budgets of the services within the scope of this committee;

(a) Revenue Budget - £54.428 million (original £56.363 million)

(b) Capital Programme – £135.867 million (original £131.502 million)

10 The original service revenue budget has been revised in year to incorporate various budget adjustments. These are shown in the table below:

| Description | Change (£m) |
|-------------------------------------|--------------------|
| Comms & Marketing – from REG to CEO | (1.935) |
| Total Change | (1.935) |

11 The summary financial statements contained in the report cover the financial year 2023/24 and show: -

(a) The approved annual budget;

(b) The forecast income and expenditure as recorded in the Council's financial management system;

(c) The variance between the annual budget and the forecast outturn;

(d) For the revenue budget, adjustments for items outside of the cash limit (outside of the Service's control) to take into account such items as capital charges and use of / or contributions to earmarked reserves.

Forecast Revenue Outturn 2023/24

- 12 The service is reporting a cash limit overspend of **£0.868 million** against a revised budget of **£54.428 million** (1.59%).
- 13 The table below compares the forecast outturn with the budget by Head of Service. A further table is shown at **Appendix 2** analysing the position by Subjective Analysis (i.e. type of expense).

Service Budget - Analysis by Head of Service £'000

| Head of Service | Revised Annual Budget | Forecast Outturn | Variance | Items Outside Cash Limit | Earmarked Reserves | Net Inflation Adjustment | Cash Limit Variance |
|------------------------------|-----------------------|------------------|--------------|--------------------------|--------------------|--------------------------|---------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Business Durham | (1,314) | (1,200) | 114 | 0 | (114) | 0 | 0 |
| Economic Development | 1,449 | 1,823 | 374 | (10) | (336) | 0 | 28 |
| Corporate Property & Land | 1,865 | 2,295 | 430 | (254) | (410) | 0 | (235) |
| Culture Sport & Tourism | 16,797 | 19,593 | 2,796 | (1,658) | (941) | 0 | 196 |
| Planning & Housing | 6,924 | 7,663 | 739 | (20) | (301) | 0 | 418 |
| Transport & Contracted Servs | 2,927 | 1,678 | (1,249) | (18) | 1,727 | 0 | 461 |
| REG - Central Costs | 25,780 | 24,704 | (1,076) | (7) | 0 | 1,082 | 0 |
| Total | 54,428 | 56,555 | 2,128 | (1,967) | (374) | 1,082 | 868 |

- 14 The cash limit overspend of £0.868 million takes into account adjustments for sums outside the cash limit such as redundancy costs that are met from corporate reserves and use of / contributions to earmarked reserves.

Cash Limit Outturn – Explanation of Over and Under Spending

- 15 The main reasons accounting for the outturn position are as follows:
- 16 Culture, Sport and Tourism is forecast to overspend by £0.196 million against budget. The main reasons are a loss of income at Shildon Leisure Centre of £60,000, an unachieved MTFP 13 saving for Sevenhills recharge of £75,000, an overspend in contract cleaning and materials of £0.230 million due to inflationary increases and £60,000

overspend on events. Overspends were partially offset by a one off benefit arising from the agreement to take full control of the gym facilities at seven of our leisure centres of £229,000.

- 17 Transport and Contract Services is forecast to overspend by £0.461 million against budget. The main reasons are an under-recovery of departure charge income at Durham Bus Station of £0.104 million, on-going costs for a new database system of £71,000, increased business rate charges on car parks of £0.135 million, an overspend on routine electrical testing of car park street lighting of £66,000, unachieved staff efficiency savings of £62,000 and an overspend of £23,000 on Bus Shelter maintenance.
- 18 Planning and Housing is forecast to overspend by £0.418 million against budget. This is largely due to an anticipated underachievement of income of £0.440 million with regard to planning fee income, as the volume of applications received has reduced significantly over the last 12 months (linked to current economic circumstances such as increased interest rates and construction costs). This is partially offset by anticipated staffing underspends of £95,000. Care Connect is forecast to overspend by £0.110 million due to anticipated staff overtime and enhancement costs. The position is partially offset by an anticipated underspend of £37,000 in Spatial Policy due mainly to staff turnover.
- 19 Economic Development is forecast to overspend by £28,000 against budget, which is predominantly attributed to under-recovery of training income in the Employment & Skills service.
- 20 Any over or underspend in relation to the activity of Business Durham is managed through an earmarked reserve and therefore there is no impact on the cash limit position. A contribution to reserves in 2023/24 is anticipated based largely upon current occupancy rates across a range of Business Space sites exceeding the base budget provision, resulting in an overachievement of net income receivable in year.
- 21 Corporate Property and Land is forecast to underspend by £0.235 million against budget. Within Buildings & Facilities Management, there is a forecast overspend of £0.192 million, mainly relating to the Catering service, which anticipates a shortfall in income as a result of hybrid working and reduced footfall in the internal staff facilities such as County Hall and Green Lane. Strategy and Property Management is forecast to underspend by £0.280 million due primarily to additional budget growth of £0.600 million in 2023/24 for a staffing restructure that is not expected to be in place until 2024/25. The underspend is partially offset by expenditure relating to interim support (consultants & professional fees) pending the implementation of the restructure. There

are also minor underspends elsewhere within the service, including additional unbudgeted income in Business Development of £55,000, as well as underspends on supplies & services within Service Management of £92,000.

- 22 In summary, the service grouping is not managing to maintain spending within its cash limit and as a result needs to draw £0.868 million from the Regeneration Cash Limit Reserve.

Capital Programme

- 23 The capital programme makes a significant contribution to the regeneration ambitions of County Durham. The programme is relatively large and diverse and is managed by project delivery officers throughout the service.
- 24 The Regeneration, Economy and Growth Services capital programme was revised at year-end for budget re-profiled from 2022/23. Since then, reports to the MOWG have detailed further revisions, for grant additions/reductions, budget transfers and budget re-profiling into later years. The revised budget now stands at £135.867 million.
- 25 Summary financial performance for 2023/24 is shown below.

| Service | Revised Annual Budget 2023/24 £000 | Actual Spend to 30 June £000 | Remaining Budget 2023/24 £000 |
|---------------------------------|------------------------------------|------------------------------|-------------------------------|
| Economic Development | 32,456 | 1,266 | 31,190 |
| Corporate Property & Land | 17,997 | 1,629 | 16,368 |
| Culture Sport & Tourism | 29,140 | 1,917 | 27,223 |
| Strategic Programmes | 303 | - | 303 |
| Planning & Housing | 11,083 | 3,579 | 7,504 |
| Transport & Contracted Services | 44,888 | 1,311 | 43,577 |
| Total | 135,867 | 9,702 | 126,165 |

- 26 Officers continue to carefully monitor capital expenditure on a monthly basis. Actual spend for the first 3 months amounts to £9.702 million. **Appendix 3** provides a more detailed breakdown of spend across the major projects contained within the capital programme.

Background papers

- Cabinet Report (13 September 2023) – [Forecast of Revenue and Capital Outturn 2023/24 - Period to 30 June 2023](#)
-

Contact: Ed Thompson

Tel: 03000 263481

Appendix 1: Implications

Legal Implications

The consideration of regular budgetary control reports is a key component of the Council's Corporate and Financial Governance arrangements. This report shows the forecast spend against budgets agreed by the Council in February 2023 in relation to the 2023/24 financial year.

Finance

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

Consultation

None.

Equality and Diversity / Public Sector Equality Duty

None.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

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

Procurement

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

Appendix 2: Regeneration, Economy & Growth Forecast Outturn at Q1 – Subjective Analysis

| REG Subjective Analysis | Revised Annual Budget | Forecast Outturn | Variance | Items Outside Cash Limit | Earmarked Reserves | Net Inflation Adjustment | Cash Limit Variance |
|--------------------------------|------------------------------|-------------------------|-----------------|---------------------------------|---------------------------|---------------------------------|----------------------------|
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Employees | 74,572 | 72,565 | (2,007) | (90) | 0 | 0 | (2,097) |
| Premises | 23,270 | 23,850 | 580 | 0 | 0 | 1,082 | 1,662 |
| Transport | 1,663 | 1,675 | 12 | 0 | 0 | 0 | 12 |
| Supplies & Services | 19,106 | 23,016 | 3,910 | 0 | 0 | 0 | 3,910 |
| Third Party Payments | 44,912 | 49,085 | 4,173 | 0 | 0 | 0 | 4,173 |
| Transfer Payments | 0 | 1 | 1 | 0 | 0 | 0 | 1 |
| Capital | 13,592 | 13,592 | 0 | 0 | 0 | 0 | 0 |
| Central Costs | 11,996 | 12,598 | 602 | (237) | (374) | 0 | (10) |
| DRF | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gross Expenditure | 189,111 | 196,382 | 7,271 | (327) | (374) | 1,082 | 7,651 |
| Grant | (9,100) | (14,084) | (4,984) | 0 | 0 | 0 | (4,984) |
| Contributions | (19,624) | (20,446) | (822) | 0 | 0 | 0 | (822) |
| Sales | (2,562) | (1,958) | 604 | 0 | 0 | 0 | 604 |
| Charges | (29,861) | (28,704) | 1,157 | (1,640) | 0 | 0 | (483) |
| Rents | (10,102) | (12,370) | (2,268) | 0 | 0 | 0 | (2,268) |
| Recharges | (62,753) | (61,907) | 846 | 0 | 0 | 0 | 846 |
| Other Income | (681) | (357) | 324 | 0 | 0 | 0 | 324 |
| Gross Income | (134,683) | (139,826) | (5,143) | (1,640) | 0 | 0 | (6,783) |
| Total | 54,428 | 56,555 | 2,128 | (1,967) | (374) | 1,082 | 868 |

Appendix 3: Regeneration, Economy and Growth Capital 2023/24

| | Revised Annual Budget £000 | Actual Spend to 31 May £000 | Remaining Budget £000 |
|--|----------------------------------|-----------------------------------|-----------------------------|
| General Fund | | | |
| Economic Development | | | |
| Chapter Homes | 500 | 0 | 500 |
| Minor Schemes | 150 | 0 | 150 |
| North Dock Seaham | 25 | 0 | 25 |
| Beamish Capital Project | 500 | 0 | 500 |
| Town & Village Centre | 5,442 | 156 | 5,286 |
| Town Centres | 12,168 | 258 | 11,910 |
| | 18,785 | 414 | 18,371 |
| Business Durham | | | |
| Industrial Estates | 13,671 | 852 | 12,819 |
| | 13,671 | 852 | 12,819 |
| Planning & Housing | | | |
| Housing Renewal | 5,748 | 2,219 | 3,529 |
| Housing Development | 0 | 1 | (1) |
| DFG/FAP | 4,569 | 1,359 | 3,210 |
| Minor P&H | 767 | 0 | 767 |
| | 11,084 | 3,579 | 7,505 |
| Corporate Property and Land | | | |
| Office Accommodation | 9,321 | 1,054 | 8,267 |
| Structural Capitalised Maint | 5,908 | 573 | 5,335 |
| Milburngate | 2,768 | 1 | 2,767 |
| | 17,997 | 1,628 | 16,369 |
| Transport & Contracted Services | | | |
| Local Transport Plan | 2,561 | 59 | 2,502 |
| Transport Major Schemes | 42,119 | 1,221 | 40,898 |
| T&CE | 208 | 31 | 177 |
| | 44,888 | 1,311 | 43,577 |
| Culture, Sport and Tourism | | | |
| AAP Schemes | 9 | 0 | 9 |
| Culture and Museums | 15,723 | 887 | 14,836 |
| Leisure Centres | 13,049 | 1,030 | 12,019 |
| Outdoor S&L Facilities | 358 | 0 | 358 |
| | 29,139 | 1,917 | 27,222 |
| Strategic Programmes | | | |
| Minor SPP | 303 | 0 | 303 |
| | 303 | 0 | 303 |
| | | | |
| REG Total | 135,867 | 9,701 | 126,166 |

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**Economy and Enterprise
Overview and Scrutiny Committee**

18 September 2023

**Quarter One, 2023/24
Performance Management Report**



Report of John Hewitt, Chief Executive Officer

Electoral division(s) affected:

Countywide.

Purpose of the Report

- 1 To present an overview of progress towards delivery of the key priorities within the Council Plan 2023-27 in line with the council's corporate performance framework.
- 2 The report covers performance in and to the end of quarter one, 2023/24, April to June 2023.

Executive Summary

- 3 The County Council is a key partner within the County Durham Together Partnership. Collectively partners work towards delivering a shared plan - the [County Durham Vision 2035](#). The vision document was developed with partner organisations and the public. It sets out what we would like the county to be like over the next decade and beyond. The vision is for:

a place where there are more and better jobs, people live long, and independent lives and our communities are well connected and supportive.

- 4 We have set out how the council will operate effectively in the delivery of its services and its contribution to achieving this vision in our [Council Plan](#)¹. The Council Plan¹ is structured around five thematic areas: our economy, our environment, our people, our communities, and our council. We monitor our success through a suite of Key Performance Indicators (our corporate performance framework), which forms the basis of this report.
- 5 In line with previous reports, we are continuing to report performance on an exception basis with key messages against the five thematic areas. In any given quarter, we will only include key performance indicators which have

¹ The [Council Plan](#) is a rolling four-year plan, refreshed every year in line with the MTFP. Current version covers 2023 to 2027 Page 101

been updated during that quarter, for example, educational attainment will be updated annually in quarter three.

- 6 However, to allow greater clarity of performance against our objectives, we have introduced a new easy-read report format (attached at appendix two).
- 7 The main difference in the new format, compared to the previous format, is the suite of dashboards (structured around specific service areas) which use greater data visualisation to provide more focus and greater transparency on trends, direction of travel, benchmarking and performance to target. The new report retains a summary highlighting 'things that are going well' and 'issues we are addressing' for each theme, and a new executive summary has been added.
- 8 To allow the reader, including members of Cabinet and Scrutiny Committees to compare the two formats and understand the changes made, we have also produced the quarter one report in the previous format (attached at appendix three). We are also seeking comments and suggestions on improvements to the new format which will be incorporated in quarter two.
- 9 We want to be a well-functioning local authority in relation to performance. Therefore, we are working to achieve the best practice model as set out in the Department for Levelling Up, Housing and Communities (DLUHC) recently published (July 2023) proposal for updating Best Value standards². We will continue to develop the following through our performance management processes and the wider Corporate Business Intelligence Review:
 - (a) An organisational-wide approach to continuous improvement, with frequent monitoring, performance reporting and updating of the corporate and improvement plans.
 - (b) A corporate plan which is evidence based, current, realistic and enables the whole organisation's performance to be measured and held to account.
 - (c) Clear and effective mechanisms for scrutinising performance across all service areas. Performance is regularly reported to the public to ensure that citizens are informed of the quality of services being delivered.

Context

- 10 The council is a large organisation providing a broad range of services, and our operating environment can at times be challenging. However, we continue to show strong performance across our key outcomes.
 - (a) Across the county, inward investment continues, new infrastructure is being created and new business parks with the potential to create thousands of jobs are being developed. The promotion of the county as a year-round tourist destination continues (in 2022, tourism contributed more than £1 billion to our local economy for the first time).

- (b) Demand for statutory children's social care and early help remains consistent overall, though the composition of needs and interventions are increasingly complicated. Caseloads are improving and targeted recruitment is proving successful.
- (c) Although health continues to be a challenging area, life expectancy is increasing, and life chances are improving. We are continuing to help households who are financially vulnerable through our financial support schemes.
- (d) Environmental cleanliness remains good, and carbon emissions are reducing significantly from the 1990 baseline.
- (e) We have increased lower cost, more accessible contact options for our customers through our digital work, and user satisfaction with our services remains high.

Recommendation

- 11 Economy and Enterprise Overview and Scrutiny Committee is recommended to:
- (a) Note the overall strong position and direction of travel in relation to quarter one performance, and the actions being taken to address areas of challenge.
 - (b) Note the changes and improvements to the new format performance report which will be used exclusively from quarter two 2023/24.

Background papers

- County Durham Vision (County Council, 23 October 2019)
<https://democracy.durham.gov.uk/documents/s115064/Draft%20Durham%20Vision%20v10.0.pdf>

Other useful documents

- Council Plan 2023 to 2027 (current plan)
<https://www.durham.gov.uk/media/34954/Durham-County-Council-Plan-2023-2027/pdf/CouncilPlan2023-2027.pdf?m=638221688616370000>
- Quarter Four, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s174900/Item%204%20Q4%202022-23%202%201.pdf>
- Quarter Three, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s166398/Corporate%20Performance%20Report%20Q2%202022-23%20v2.1.pdf>
- Quarter Two, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s166398/Corporate%20Performance%20Report%20Q2%202022-23%20v2.1.pdf>
- Quarter One, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s161902/Corporate%20Performance%20Report%20Q1%202022-23%20Revised.pdf>

Author

Steve Evans

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Appendix 1: Implications

Legal Implications

Not applicable.

Finance

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

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

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

Climate Change

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

Human Rights

Not applicable.

Crime and Disorder

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

Staffing

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

Accommodation

Not applicable.

Risk

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

Procurement

Not applicable.



Corporate Performance Report

Quarter One, 2023/24



Contents (blue text links to sections of the report)

| | |
|------------------------|---|
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| Our Economy | ➤ Our Economy Performance Report |
| | Performance Dashboards: |
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| | ➤ Housing delivery |
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Executive Summary

- 1 This performance report covers the first quarter of the 2023/24 financial year (April to June 2023). It sets out our progress towards delivering the key priorities set out within our [Council Plan 2023-27](#).
- 2 Performance is reported on an exception basis with key messages structured around the five thematic areas of, our economy, our environment, our people, our communities, and our council.
- 3 In any given quarter, we will only include key performance indicators which have been updated during that quarter, for example, educational attainment will be updated annually in quarter three.

Our economy

- 4 The aim of this priority is to create an inclusive economy with more and better jobs, major employment sites which cement our position as a premier place in the region to do business, a good tourism base and cultural offer, and employability support programmes which help people back into jobs or to start their own business. Our children and young people will receive the education and training required to access opportunities.

Going Well

- 5 We continue to promote the county as a year-round tourist destination through both national and international marketing campaigns. Latest data (2022) shows tourism contributed more than £1 billion to our local economy for the first time, above the target of just over £760 million. There were almost 18 million visitors (above the target of 17.1 million) and more people were employed in tourism (11,724 against target of 10,191).
- 6 We are also continuing to invest in our cultural events programme, and during quarter one, around 28,000 people attended the Bishop Auckland Food Festival (slightly lower than last year due to heavy rainfall on the Saturday morning). A full evaluation of the event will be available in quarter two.
- 7 We determined 91.2% of major planning applications within the 13 week deadline, exceeding target (90%) and placing us in the top quartile nationally.
- 8 We have recently added additional floorspace to our business property rental portfolio. Although this brought occupancy (89.6%) below our increased target (95%), demand remains high, and we expect these to be occupied soon.
- 9 As a result of engagements with businesses by Business Durham, 350 jobs were created or safeguarded. 83 jobs were created or safeguarded through our regeneration schemes. Placing us on track to achieve annual targets. We are currently transitioning from the end of most ERDF funded schemes to the new UKSPF Productivity and Growth Programme.
- 10 Both library active borrowers and digital borrowers performed above target (by +1.3% and +7%, respectively) and are on an upward trajectory. The BorrowBox App is

driving digital borrowers and we plan to build on this trend for active borrowers with a new outreach team.

- 11 Our new cinema offer has led to the average occupancy levels and proportion of potential income achieved (yield) of cinema screenings exceeding targets (by +3pp and +2pp, respectively). We are trialling a new family programme and reducing cinema ticket prices at Empire Theatre to boost sales.

Issues we are addressing

- 12 Job centres referring clients to the Restart Programme and capacity issues with delivery partners have caused registrations to our employability programmes to reduce this quarter by 42% (-125). We are exploring ways to increase registrations, including through community engagement activities and events. Despite fewer registrations, 105 clients progressed into employment, education and/or training this quarter, and we remain on track to achieve the annual target of 235.
- 13 Average occupancy levels and yield for theatre performances were below target (both -2pp) due to hiring out the venues on a number of occasions to amateur companies, colleges and dance schools, with companies taking a lead on marketing.

Our environment

- 14 The aim of this priority is to protect our natural environment, including biodiversity and healthy ecosystems. In 2019, the council declared a climate emergency with a commitment to reduce carbon emissions to net zero by 2030 and contribute towards a carbon neutral county by 2045. In April 2022, the council declared an ecological emergency and committed to address ecological decline wherever possible. Our county is of significant landscape value and supports unique combinations of plant and animal species.

Issues we are addressing

- 15 Passenger journeys on the Park and Ride service remain lower than pre-COVID (just over 111,000 compared to just under 250,000), due to changes in working behaviours and 'Free after 2pm' in our off-street car parks. We are implementing a wide range of changes to improve the service at our main site (Belmont) and progressing a scheme to extend the number of parking bays at Sniperley to safeguard increased demand from future development in the city.

Our people

- 16 The priority aims to help our residents live long and independent lives and remain in good health for as long as possible. We will protect and improve health by tackling the leading causes of illness and early death, inequalities and the challenges around mental health. We will ensure a sustainable high-quality care market and will invest in a multi-million pound programme to transform our leisure centre venues.

Issues we are addressing

- 17 Homelessness prevention outcomes have decreased this quarter. Of those households assisted only 0.2% were helped to stay in their own home (-4pp compared to quarter four) and 8% helped to secure accommodation (-11pp compared to quarter four). This has resulted in an increase in the proportion of households being assisted

through the homelessness relief duty (28%, +1pp compared to quarter four) and households where relief duty has ended and the client is unintentionally homeless and in priority need (main homeless duty) (18%, +6pp compared to quarter four).

- 18 This is largely due to limited access to longer term accommodation in the private rented sector and high demand for social housing, and an increase in the time taken to achieve a positive outcome for households resulting in some cases that would ordinarily be prevented becoming homeless. We have appointed additional staff to assist with prevention work and are carrying out a review to improve access into the private rented and social housing sectors.

Our communities

- 19 The aim of this priority is to ensure our communities are well connected and supportive of each other, with vibrant and accessible towns and villages which are well-used, clean, attractive and safe. We will support our most vulnerable residents, particularly those isolated or financially vulnerable. We will maintain a strong focus on tackling poverty throughout the cost-of-living crisis.

Going Well

- 20 Net homes completions reported in quarter four has been readjusted to reflect a number of sites that had completed but had not yet been recorded. This brings the year-end total for homes completed for 2022/23 to 1,551. This is 19% (243) above the target of 1,308 included in the Local Plan and Housing Strategy.
- 21 For the first quarter of this financial year, there were 322 net homes completed, which is slightly below profiled target of 327 (-1.6%, -5 completions). However, a number of large recently commenced schemes and are expected to complete later in the year.
- 22 64 empty homes were brought back into use as a result of local authority intervention at the year end, exceeding the profiled target of 50.
- 23 34% of properties covered by our selective licensing scheme (launched 1 April 2022) are now licenced or have had legal proceedings instigated against them. To ensure landlords are participating in the scheme where required we are undertaking investigatory work and instigate enforcement proceedings where required.

Issues we are addressing

- 24 Bus patronage remains lower than pre-COVID levels and is not likely to return to pre-COVID levels in the medium term. We continue to work in partnership at a regional level with bus operators and other local authorities to implement a range of initiatives through the North East Bus Service Improvement Plan (BSIP) to encourage patronage growth.
- 25 During quarter one, operational resource and delivery issues resulted in the proportion of recorded Category 2.2 highway defects³ that were repaired within three months

³ Highway defects include pot holes, missing or damaged ironwork, highway subsidence / slippage, damage to safety fences or barriers, excessive standing water, or other damage. Category 2.2 defects are not an immediate or imminent hazard, or risk of short-term structural deterioration. Due to non-urgent nature, required repairs are added to routine maintenance schedule to be carried out within 3 months.

(88%) to drop below target (90%). Operational teams have been supported through our framework contractors and an early indication for July shows improvement.

- 26 There have been 282 affordable housing units completed this year, 238 via Homes England grant and 44 units secured by Section 106 Agreement. It is extremely challenging to achieve the identified need set out in the County Durham Plan to deliver 836 affordable housing units per annum as delivery is dependent on available viable sites coming forward for development, We work with developers where they are securing Homes England grants to deliver affordable housing and registered providers to deliver affordable schemes. We have also recently commenced the council house delivery programme, which seeks to deliver 500 council homes by 2026.

Risk Management

- 27 The government's statutory guidance for best value authorities sets out the characteristics of a well-functioning authority. This details the arrangements that councils should have in place for robust governance and scrutiny including how risk awareness and management should inform decision making. The latest risk management progress report can be found [here](#).

Priority: Our Economy

County Durham has a thriving and inclusive economy with more and better jobs and fewer people suffering from the hardships of poverty and deprivation. We are continuing to,

- deliver a range of employment sites across the county
- deliver a strong, competitive economy where County Durham is a premier place in the North East to live and do business
- ensure a broader experience for residents and visitors to the county
- ensure young people will have access to good quality education, training and employment
- help all people into rewarding work
- ensure fewer people will be affected by poverty and deprivation within the county
- improve employment opportunities for disabled people

National, Regional and Local Picture

- 28 Our economy is showing signs of strength across a range of performance indicators. Employment is at its highest level for 20 years and unemployment remains low, which reflects national trends. We are showing strong signs of demand for development land as well as industrial and office premises of all sizes. 10,000 more jobs have been created in the county over the last decade.
- 29 Our manufacturing sector has remained strong during the last few challenging years, is innovating, driving green growth, and supporting a range of other sectors such as logistics and business services. With rising energy costs, businesses have invested in solutions that reduce their energy usage, costs, and carbon emissions. However, the last few years have been very challenging for the retail, hospitality, public, and voluntary sectors with few signs that conditions will start to improve.
- 30 There is a growing demand for workers in the county and the balance of jobs is starting to shift with more people achieving higher levels of education and training and moving into better paid jobs. However, the employment rate remains below the national average. We continue to lose many of our most talented people to urban areas which offer higher wages and have a greater choice of private sector jobs. Wages are growing but remain low compared to other areas and the cost-of-living is a long-term problem, especially for the large numbers of people with health conditions, disabilities, and caring responsibilities.
- 31 There is a growing gap across a range of economic performance within the county and region compared to national levels, which needs sustained support and investment.

Going Well

Planning Applications

- 32 Performance in relation to the processing of major planning applications exceeded target (90%) contributing to economic growth through timely delivery of decisions. Of the 34 major planning applications received, 91.2% (31) were determined in target of

13 weeks. Although quarter one position is 2.9pp less than quarter four (94.1%), more planning applications were received compared to last quarter (17).

- 33 The latest benchmarking data (at September 2022) shows our performance to be better than both the North East and England averages.

Investments

- 34 During quarter one, Business Durham secured £384,000 of investments for companies. This included £250,000 through the Finance Durham Fund to Power Roll (a developer of ultra-low-cost and lightweight flexible film for energy generation and storage) to support construction of a solar film pilot plant in County Durham, further improve efficiency of Power Roll's solar film technology and help commercialise its capacitor technology with its joint venture partner.
- 35 Three inward investments were supported by Business Durham, exceeding the projected target (one).

Business Durham Floor Space

- 36 New units at Station Place and two new offices at the Durham Dales Centre have increased the floorspace of Business Durham's office and industrial portfolio. This increase in overall floorspace has reduced the occupancy rate to 89.6%, below the increased target of 95%. However, demand remains high, and we expect these to be occupied soon. Excluding this additional new floorspace, overall occupancy is 95.25%.

Business support and job creation/safeguarded activity

- 37 105 businesses were engaged during quarter one (including 44 intensively assisted), fewer than the profiled target of 250 due to the transition from the end of most ERDF funded schemes and the mobilisation period for the new UKSPF Productivity and Growth Programme.
- 38 As a result, 350 full time equivalent (FTE) jobs were created or safeguarded (306 created and 44 safeguarded). Although lower than the period target of 375, it is broadly on track to achieve the annual target (1,000) as delivery can fluctuate across the year.
- 39 During quarter one, our Community Economic Development Team engaged with 63 new retail businesses. Through our regeneration schemes 83 FTE jobs were created and 18 businesses supported; 13 via Towns & Villages Programme, four via Property Reuse Scheme and one via Conservation Area Grant Scheme. Although no businesses were supported via Targeted Business Improvement Schemes and Seaham Townscape Heritage Programme this quarter, we are currently supporting five major schemes across these two programmes with the potential to create a further 70 FTEs these are complete later this year. All schemes are progressing as expected, with quarter one position on track to achieve annual targets.

Employability Programmes 2022-23 Year end position

- 40 During 2022/23, 1,058 people registered onto our Employability Programmes, 17% (153) above annual target of 905. Of these registrations, 454 clients progressed into employment or education/training, again above annual target of 400 by 13.5% (54).

Although referral numbers were affected by Job Centres directing clients to the Restart Programme, registrations onto our programmes increased in the first part of the year due to increased capacity from our delivery partners onto the LINKCD programme, and registrations from Ukrainian arrivals.

- 41 Employability programmes are currently funded through the European Social Fund, due to end December 2023. As such, targets for 2023/24 have been amended to reflect reduced delivery time. However, £4.9 million has recently been allocated from the UK Shared Prosperity Fund (People and Skills Investment priority) for us to deliver employability support programmes that will extend programmes until March 2025. Work is ongoing to develop a revised service offer, and future targets will be readjusted accordingly.

Cultural events

- 42 Approximately 28,000 people attended the Bishop Auckland Food Festival (BAFF) in April, slightly below attendance figures for last year due to heavy rainfall on the Saturday morning. BAFF is one of many cultural events taking place in County Durham this year, cementing Durham's position as the 'culture' county and demonstrating the council's ongoing commitment to culture-led regeneration. A full evaluation for BAFF will be available in quarter two. Durham Brass returned in July with some of the UK's finest artists entertaining visitors across the city centre; and Seaham Food Festival returns in August offering sensational street food, family entertainment and live cookery demonstrations. Both events will be reported at quarter two.

Visits to council owned cultural venues during quarter one

- 43 There were 40,301 visits to our cultural venues during quarter one. Visits reported during 2022/23 for Durham Town Hall were under-reported due to incorrect recording practices which have now been rectified, however figures cannot be revised. Due to seasonality and variations in the events programme, there is currently no comparable data for this indicator however work is ongoing to develop more robust mechanism for future monitoring.

Libraries

- 44 Both active borrowers and digital borrowers performed above target this quarter, with 44,160 (+1.3%, 575) and 3,852 (+.7%, 27) borrowers, respectively. Although active borrower numbers are not back to pre-COVID levels, figures are following an upward trend quarter on quarter, and we plan to build on this with a new outreach team. Digital borrower figures also continue on an upward trend mainly due to our strong digital offer via the BorrowBox App.

Cinemas: Gala, Bishop Auckland Town Hall and Empire

- 45 Average occupancy rate across all cinema screenings during the quarter was 23% which is 3pp above target, but slightly lower than the same period last year (1pp). Average yield (proportion of potential income achieved) for all cinema screenings is 22%, which is 2pp above target and on par with the same period last year (22%). Our new cinema offer with special events, senior screenings for 60+ and parent and baby screenings have contributed to exceeding targets. This summer the team are trialling

a new family programme and reducing cinema ticket prices at the Empire Theatre to £5 in line with the Gala Theatre to help boost sales.

Visitor Economy

- 46 Our ongoing activity to promote the county as a destination through national and international marketing campaigns is encouraging visitors, longer stays and people to see and do more in County Durham. This has resulted in higher spending in the local economy, creating a positive outlook for future sustainable economic growth.
- 47 Latest STEAM⁴ data shows that in 2022 tourism contributed over £1 billion to County Durham's economy for the first time ever. This is well above target (£760.5m) and above 2021 position (£826.28m). Although visitor numbers of 17.9m have not yet reached pre-pandemic levels, they are above target (17.095m) and well ahead of 2021 position (15.77m); demonstrating how the county's visitor economy is back on track following the pandemic.
- 48 Further evidence of the sector's recovery can be seen in the rising employment levels, with the number of people employed in tourism in County Durham increasing from 10,063 in 2021 to 11,724 in 2022. This is also ahead of 2022 target of 10,191 jobs.

Issues we are addressing

Employability Programmes

- 49 During quarter one, 173 clients registered on to our employability programmes, a reduction of 42% (125) compared to quarter four. Registrations have been impacted by a drop in referrals for the third consecutive quarter due to Job Centres continuing to direct more clients to the Restart Programme and the remaining clients less likely to register onto programmes after initial contact due their complex needs. One of our delivery partners has also left the LINKCD programme affecting delivery capacity, as well as staff sickness and maternity leave affecting programme delivery. We are working closely with our remaining delivery partners and our Area Teams to identify opportunities to increase registrations, including community engagement activities and events. The team are reviewing the management of caseloads to address the issue with programme delivery and work is ongoing to develop a revised service offer now that future funding has been secured to continue employability programmes.
- 50 Despite fewer referrals and registrations, 105 clients progressed into employment and education/training this quarter, an increase of 13% (12) compared to quarter four which places us on track to achieve the annual target of 235. Of the 105 progressions, 96 clients progressed into employment and nine into education or training.

Theatres: Gala, Bishop Auckland Town Hall and Empire

- 51 Average occupancy rate across all theatre performances during quarter one was 63%, which is 2pp below profiled target (65%). However, this is on par with the same period last year. Although professional shows saw high attendance figures; overall numbers were lower due to frequent hiring out of the venues to amateur companies, colleges and dance schools, with companies taking a lead on marketing. Average yield

⁴ STEAM (Scarborough Tourism Economic Activity Monitor) data collated by industry's independent economic impact model

(proportion of potential income achieved) across theatre performance is 58%, which is 2pp below target but on par with the same period last year. Again, this is largely due to the frequency of the venues being hired out, although venues are guaranteed a hire fee regardless of sales.

Managing Money Better Advice

- 52 During quarter one, 70 households received energy advice from Managing Money Better (MMB) which is on par with quarter four, but 119 lower than the same period last year. Fewer people are seeking advice compared to last year due to the improving fuel cap limit and decreasing bills. As a result of the advice residents saved over £8,000 (an average of £115 per household), a reduction on last quarter because switching options are limited within the current market.
- 53 We have recently carried out a social media campaign to promote the service but have not seen any increase in referrals to date. Mailshots to GP surgery are planned which have previously been successful in increasing referrals and we are also exploring the option of drop-in sessions in community buildings to assist people who may not be IT literate.

Primary KPIs (compared to target)

91.2%
major planning applications
achieved in deadline
(90%)

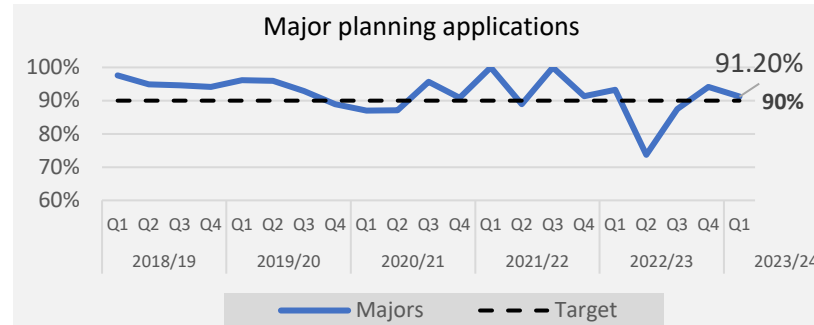
£384,000
of investments
secured
(£1,250,000)

3
inward investments
(1)

89.6%
office and industrial
space occupied
(95%)

Economic Growth Dashboard

Major Planning Applications



Performance comparison (Sep 22)



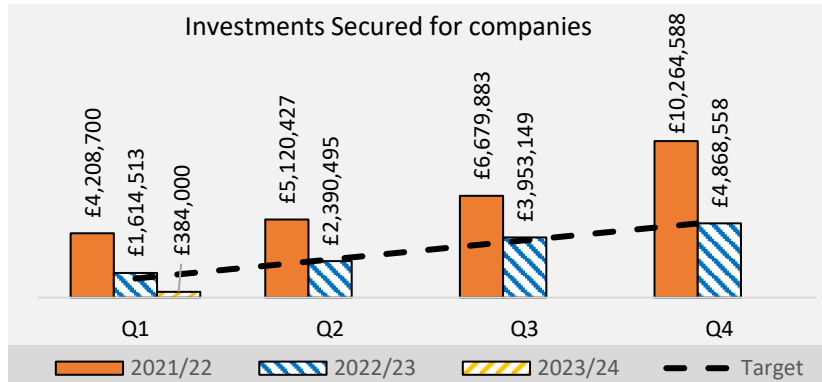
Investment in County Durham

Business Durham secured £384,000 of investments in the quarter, including a £250,000 through the Finance Durham Fund.

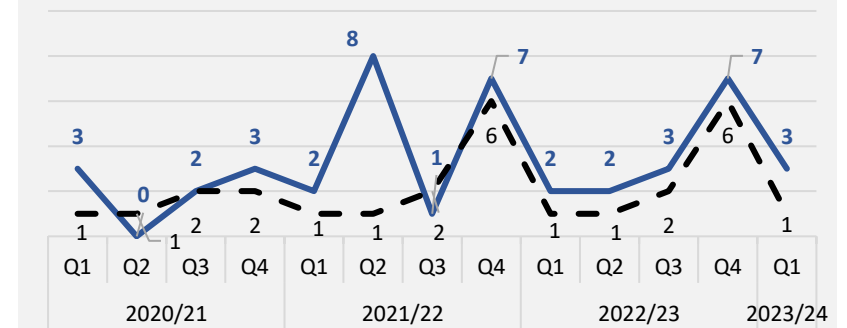
Business Portfolio

We continue to investment and expand our business space portfolio. Additional floorspace added to the portfolio has reduced the occupancy rate.

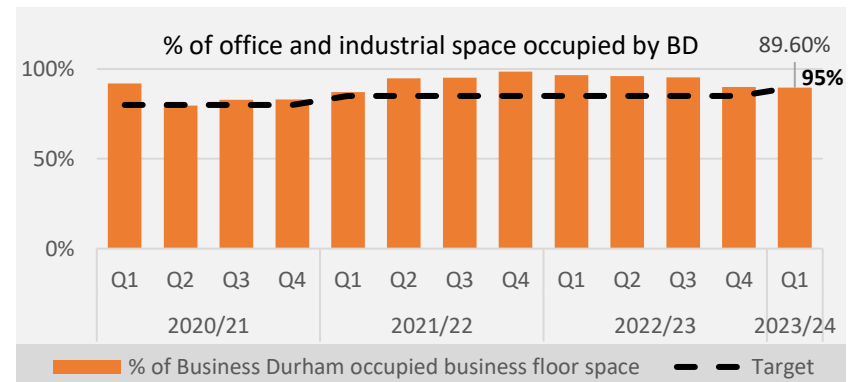
Investments Secured for companies



Inward Investments



% of office and industrial space occupied by BD



Primary KPIs (compared to target)

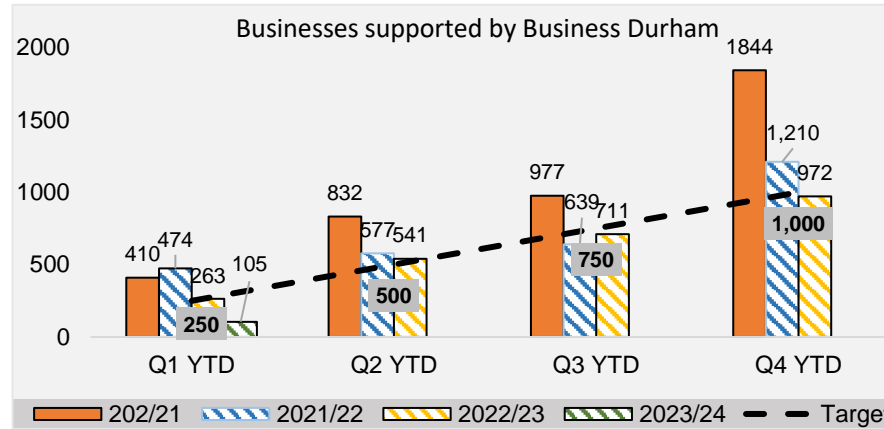
105
businesses supported by Business Durham (250)

18
new businesses supported by regeneration projects

63
businesses supported by CED team

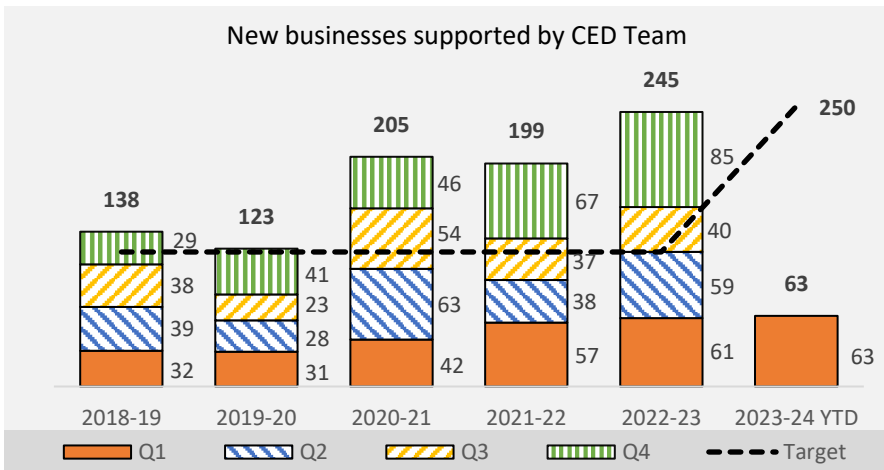
YTD: year to date
CED: community economic development

Business Support Dashboard



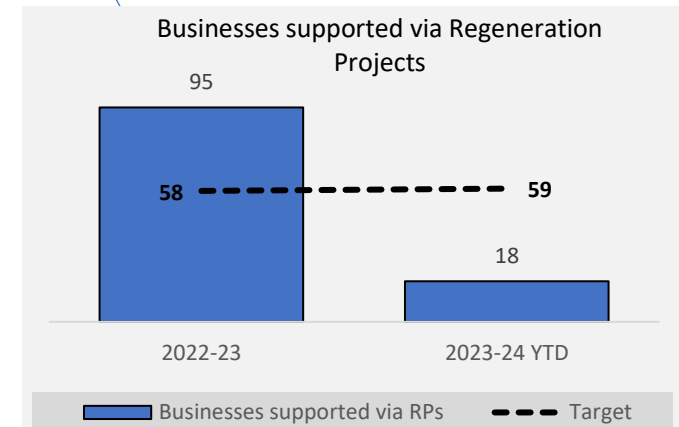
Business support through Business Durham

Engagement in the first quarter is lower than the profiled 250 due to the transition from the end of most ERDF funded schemes and the mobilisation period for the new UKSPF Productivity and Growth Programme.



Business support through regeneration

We are on track to achieve annual targets for businesses supported in 2023/24 through our regeneration projects and the Community Economic Team.



Primary KPIs (compared to target)

350
jobs created /
safeguarded -
Business Durham
(375)

83
jobs created /
safeguarded -
regeneration projects

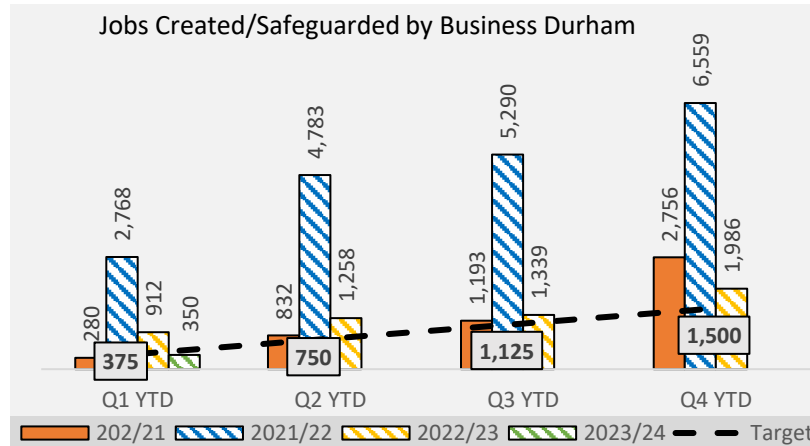
173
registrations onto
employability
programmes

105
participants on
employability
programmes
progressing into EET

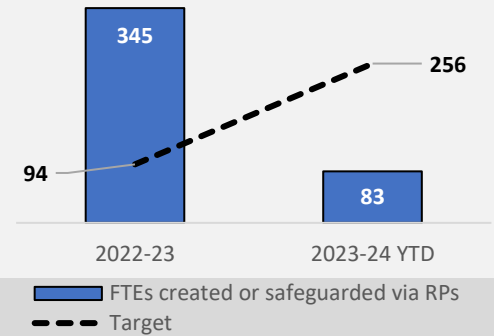
Employability and Skills Dashboard

Jobs created/ safeguarded

High level of delivery places us broadly on track to achieve annual targets across both of these measures.



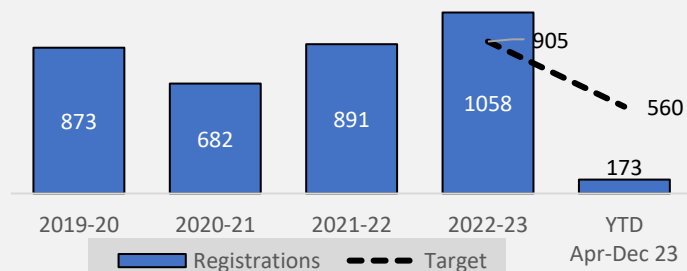
FTEs created/safeguarded via regeneration projects



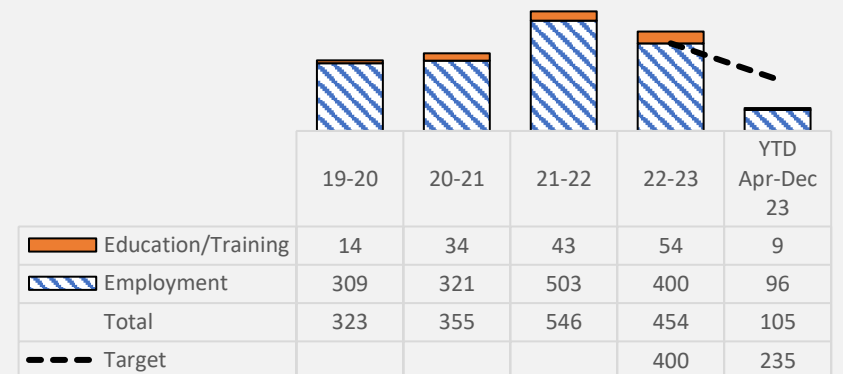
Employability programmes

- Registrations and people supported into employment or education/training achieved target for 2022/23 as a result of a high levels of registrations at the start of the year, due to increased capacity from our delivery partners and Ukrainian arrivals.*
- Job Centres referring clients onto the Restart Programme and capacity issues with our delivery partners have impacted registrations this quarter. We are exploring ways to increase registrations including through community engagement activities and events.

Registrations



Employment, Education and Training



Targets reduced for 2023/24 to reflect funding only secured until Dec 2023

Primary KPIs (compared to target)

28,000[^]
people attending
CS&T ran and
commissioned
cultural events

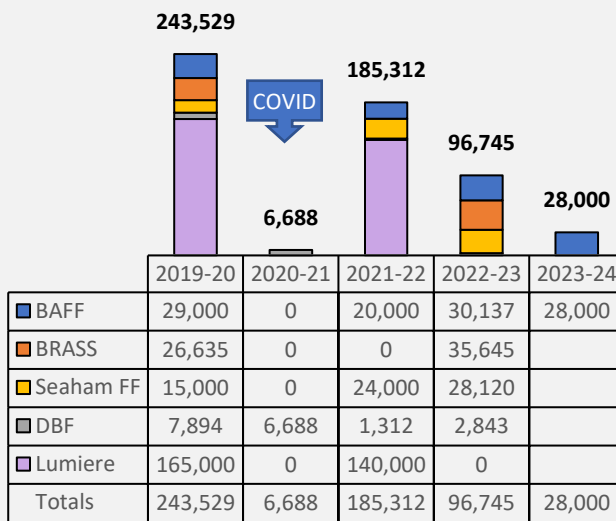
40,301
visits to council
owned venues

44,160
active library
borrowers
(43,585)

3,852
digital library
borrowers
(3,825)

Cultural Offer Dashboard

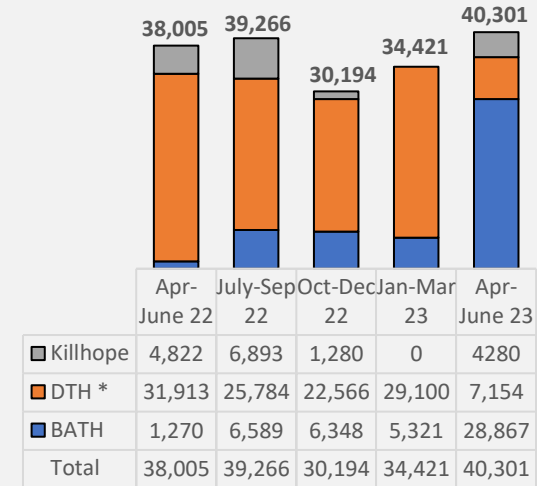
Cultural Events



Cultural Events

Our continued investment in our cultural events programme led to approx. 28,000 people attending the BAFF, heavy rainfall impacted attendance on Saturday.

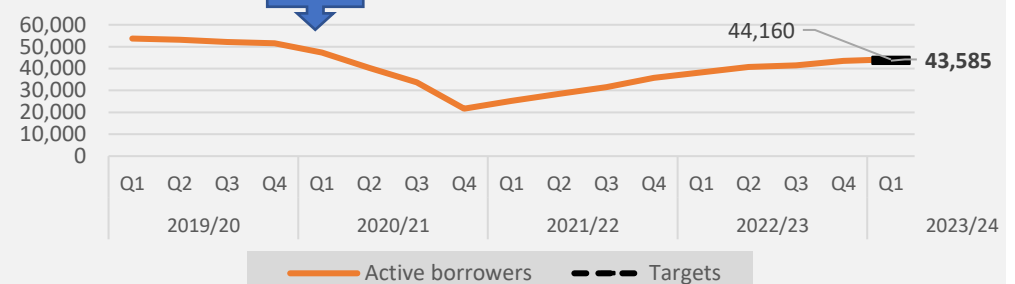
Council owned cultural venue visits



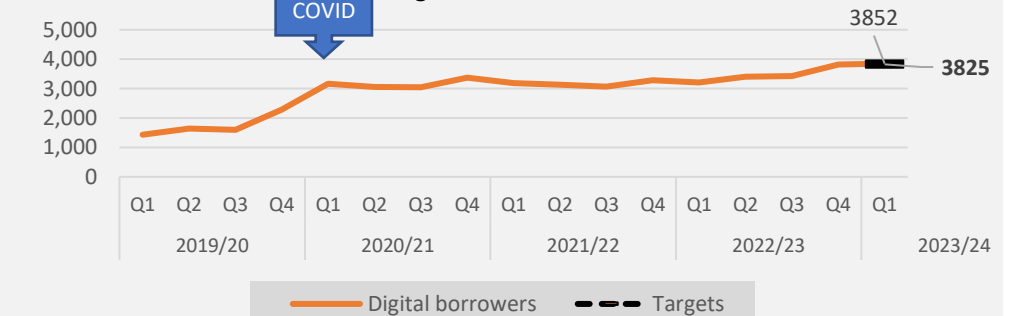
Libraries

- Active Borrowers: steadily increasing following the impact of the pandemic, and we plan to build on this with a new outreach team.
- Digital Borrowers: maintained the increase driven by COVID-19 and continues to grow due to our strong digital offer via the BorrowBox App.

Active Borrowers



Digital Borrowers



BAFF: Bishop Auckland Food Festival; held April, figures reported Q2
 BRASS Festival; held July, figures reported Q3
 Seaham FF: Seaham Food Festival; held Aug, figures reported Q3
 DBF: Durham Book Festival; held Oct 23, figures reported Q4
 Lumiere: biennial; held Nov, figures reported Q4
 Cultural venues: DTH : Durham Town Hall; BATH: Bishop Auckland Town Hall; Killhope Museum
[^]Indicative figure, awaiting official evaluation
 *DTH under reported in 2022/23, issues now rectified

Primary KPIs (compared to target)

22%
yield of cinema
screenings held in
quarter
(20%)

23%
occupancy of cinema
screenings held in
quarter
(20%)

58%
yield of theatre
performances held in
quarter
(60%)

63%
occupancy of theatre
performances held in
quarter
(65%)

Cinemas

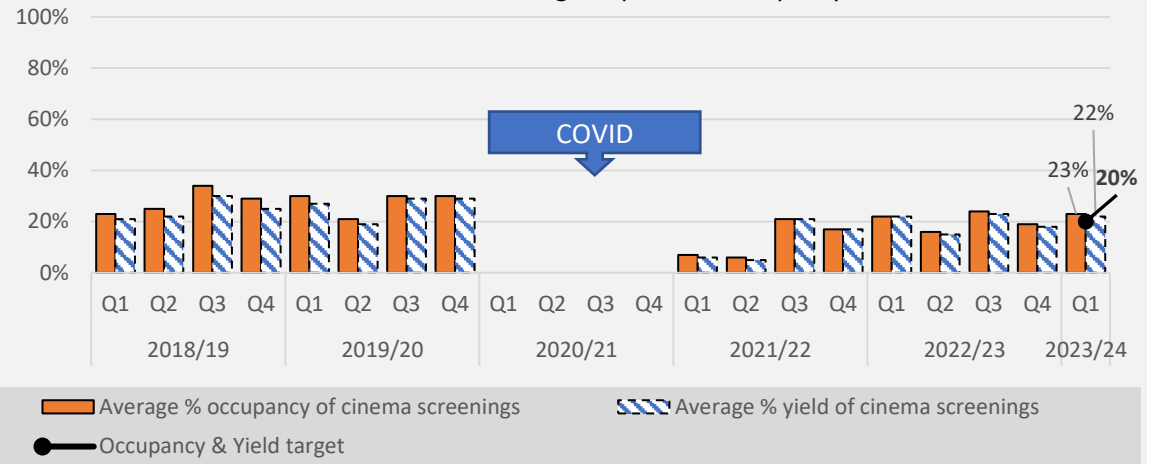
Average occupancy levels and yield for cinema screenings exceeded targets as a result of our new cinema offer with special events, senior screenings for 60+ and parent and baby screenings. We are trialling a new family programme and reducing cinema ticket prices at the Empire to boost sales.

Theatres

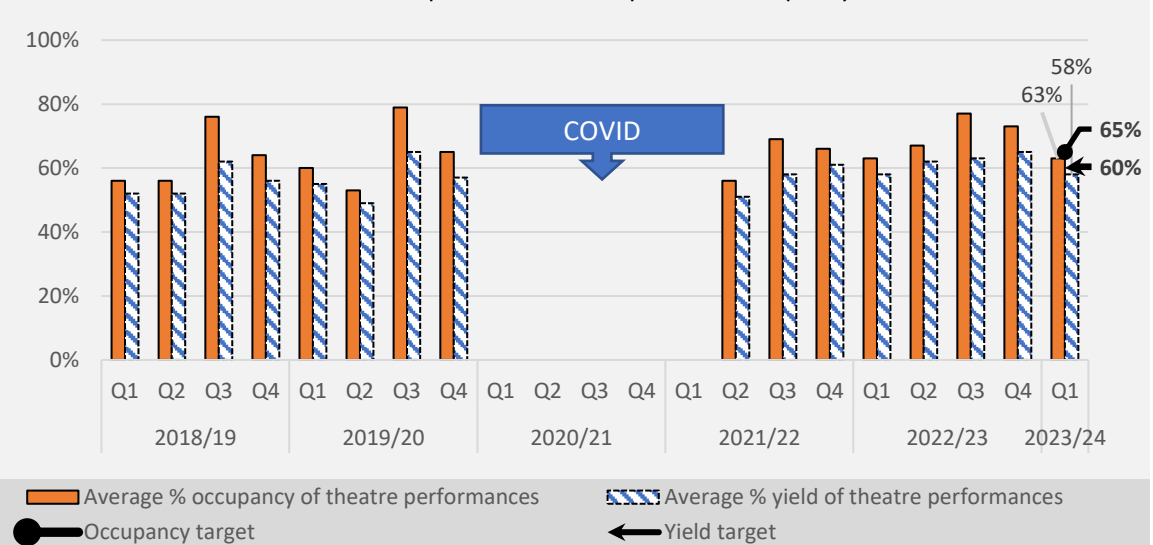
Average occupancy levels and yield for theatre performances were below targets driven by hiring out the venues to amateur companies, colleges and dance schools.

Cultural Offer Dashboard

Cinema Screenings in quarter - Occupancy & Yield



Theatre performances in quarter - Occupancy & Yield



Primary KPIs (compared to target)

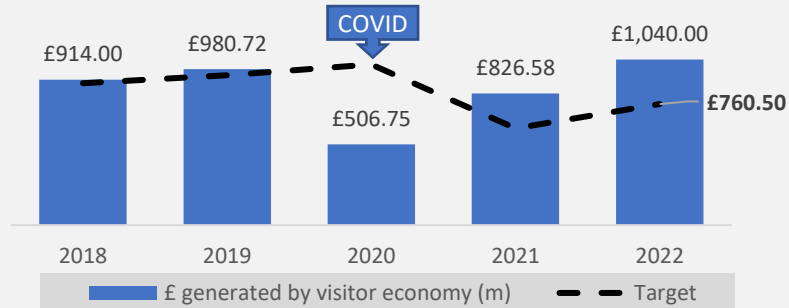
£1.04bn
generated by the
visitor economy
(£760.50m)

11,724
jobs supported by
visitor economy
(10,191)

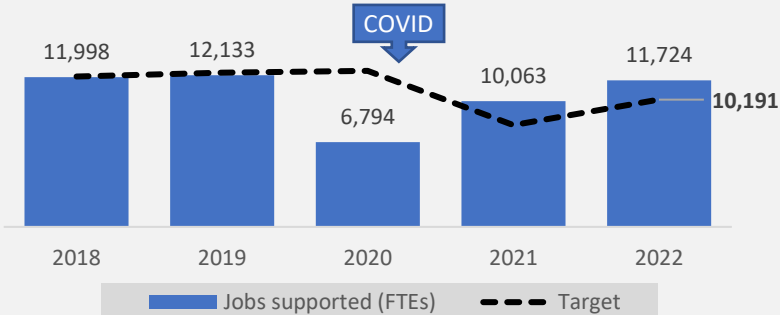
17.9m
visitors to County
Durham
(17.085m)

Visitor Economy Dashboard

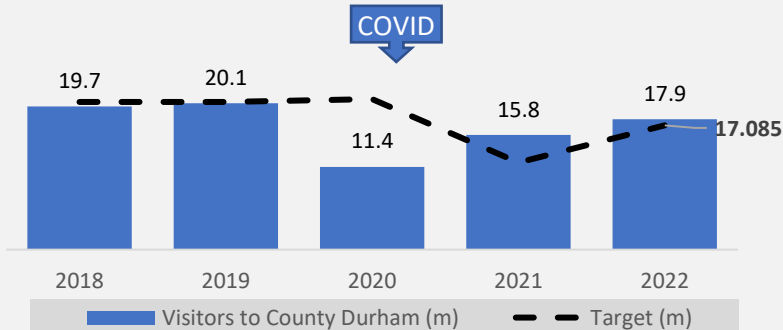
£ generated by visitor economy (£million)



Jobs supported by visitor economy (FTEs)



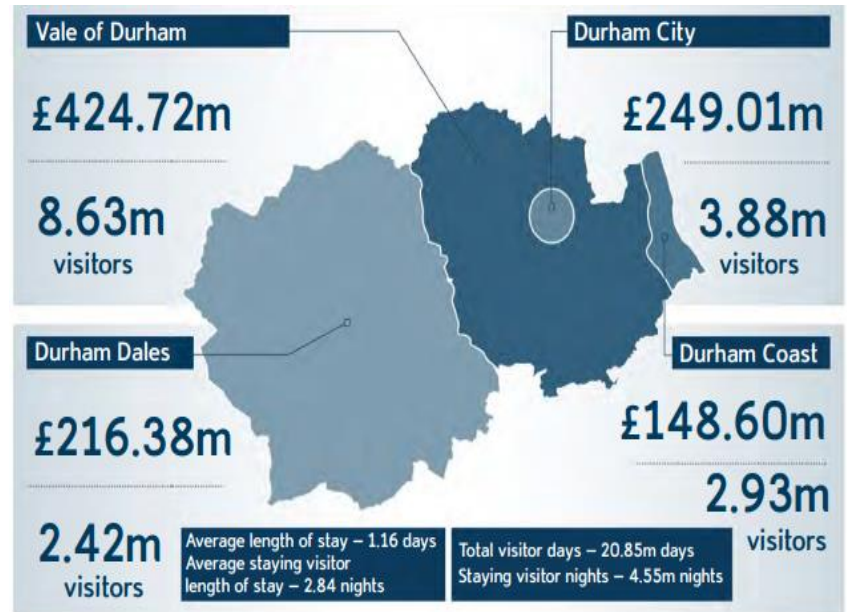
Visitors to County Durham (million)



Data collated using the industry's independent STEAM (Scarborough Tourism Economic Activity Monitor) economic impact model

Visitor Economy

- Our ongoing activity to promote the county as a destination through national and international marketing campaigns has resulted in higher spending in the local economy, creating a positive outlook for future sustainable economic growth.
- The 'Vale of Durham' has the greatest impact on the visitor economy in County Durham.



Priority: Our Environment

County Durham has taken action to tackle the climate emergency, reduce the impact of pollution and waste on our county and protect, restore and sustain our natural environment. We are continuing to,

- create a physical environment which will contribute to good health
- work with others to achieve a carbon neutral county by 2045
- reduce the impact of waste and pollution on our environment
- protect, restore and sustain our natural environment for the benefit of future generations

Issues we are addressing

Park and Ride

- 54 Passenger journeys on the Park and Ride service remain significantly lower than pre-COVID. There are a number of factors influencing this, firstly commuters are predominately the main users of the service and therefore the changes in working behaviours following the pandemic such as hybrid working has contributed to the reduction. Additionally, from April 2021 we introduced free parking after 2pm across County Durham for both on street and off street parking, as a stimulus to support economic recovery, which impacted on patronage on the Park and Ride. We have removed free after 2pm from on street in Durham City but as yet this has not been removed from our off street car parks in the city. This will be considered by Cabinet in the autumn, alongside the introduction of a Sunday Park and Ride service.
- 55 To improve patronage of customers using the Park and Ride, we introduced a new bus contract in October 2022 with a new fleet of larger, more appealing buses for customers. We have also provided a number of facilities at our main site (Belmont) to make this more attractive to a wider audience such as a free coach park and coach toilet drop to encourage visitors to the city, free use of the service for coach drivers, motorhome overnight parking and upgraded electric vehicle charging bays.
- 56 A scheme is also being progressed to extend the number of parking bays at Sniperley. This will provide more parking availability to safeguard increased demand from future development in the City; and reduce congestion and greenhouse gas emissions within the historic city centre itself, and also along a key road leading into the city.
- 57 We also continue to support events within the city such as University Open Days, Miners Gala, Durham City Run and Lumiere (to be held later this year) by providing additional services as well as staff at the sites to improve the customer experience.
- 58 A customer satisfaction survey will be undertaken later this year, to develop a better understanding of our customer requirements, needs and usage to inform service improvements.
- 59 We are also implementing more robust recording practices. This will enable us to take a more accurate and analytical approach to monitoring the use of the Park and Ride service to inform decision making.

Primary KPIs
(same period last year)

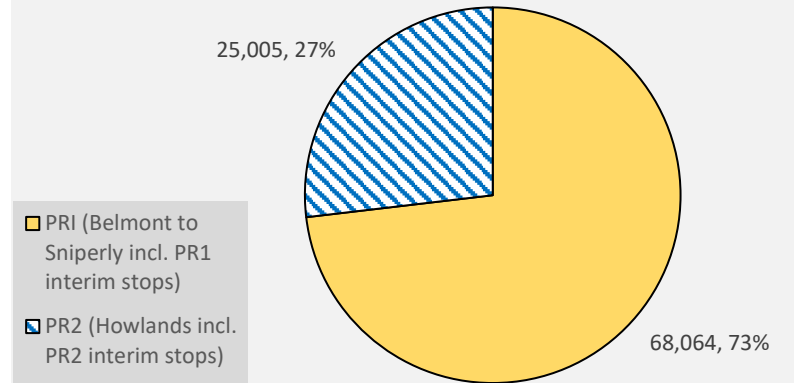
111,366
park and ride
passenger journeys
(102,446)

Sustainable Transport & Active Travel Dashboard

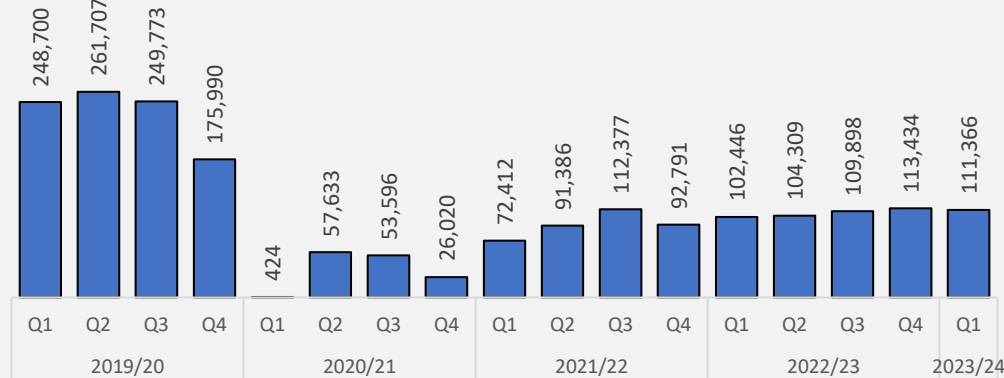
Park and Ride

- Passenger journeys on the Park and Ride service remain significantly lower than pre-COVID, due to changes in working behaviours and 'Free after 2pm' in our off-street car parks.
- We continue to implement a wide range of changes to improve the Park and Ride offer.
- We are aware that there is potential under reporting within the data and are implementing more robust recording practices.

Park and Ride Passengers by Service



Park and Ride Passenger Journeys



Priority: Our People

County Durham is a place where people will enjoy fulfilling, long and independent lives. We aim to,

- ensure children and young people will enjoy the best start in life, good health and emotional wellbeing
- ensure children and young people with special educational needs and disabilities will achieve the best possible outcomes
- ensure all children and young people will have a safe childhood
- promote positive behaviours
- better integrate health and social care services
- tackle the stigma and discrimination of poor mental health and build resilient communities
- people will be supported to live independently for as long as possible by delivering more home to meet the needs of older and disabled people
- support people whose circumstances make them vulnerable and protect adults with care and support needs from harm
- protect and improve the health of the local population, tackling leading causes of illness and death

Issues we are addressing

Homelessness Prevention

- 60 The proportion of households prevented from homelessness and helped to remain in their current home has decreased this quarter by -4pp, with only 0.2% assisted (one household). This is due to options for negotiation/ mediation with landlords or friends and family being limited. We are appointing additional staff to assist with homelessness prevention work and increase positive outcomes. They will visit homes to sustain the stay of family members where possible.
- 61 Additionally, the proportion of households where homelessness was prevented and the household helped to move to alternative accommodation decreased this quarter by 11pp, with only 8% (37) households securing alternative accommodation. Longer term accommodation options are limited due to high demand for social housing and limited access to private sector properties, rising private sector rents and frozen local housing authority (LHA) rates resulting in less affordable homes available to move on to than in previous years. We are carrying out a review to improve access into the private rented and social housing sectors, including a review of the local authority letting policy.
- 62 The time taken to achieve a positive preventative outcome for households has resulted in an increase in cases that would ordinarily be prevented within 56 days moving to relief stage (i.e., becoming homeless), and an increase in cases where there has been an acceptance of the main homeless duty (where relief duty has ended, and the client is unintentionally homeless and in priority need). 28% (208 households) were resolved at the relief stage of homelessness, a 1pp increase, compared to quarter four. There were 18% (136) of households where there was an acceptance of the main homeless duty, compared to 12% (83) in quarter four. The

main 'priority need' reasons for acceptances was 46% (63) due to children, and 30% (41) vulnerable due to domestic abuse, which are both higher than quarter four.

Disabled Facilities Grants

- 63 During quarter one, 68% of potential clients were contacted within three weeks of their initial referral for a Disabled Facilities Grant, which is 22pp below target, with staffing shortages contributing to not hitting target this quarter. New processes are being implemented to deal with the situation and recruitment underway to fill vacant posts. This is a new measure, and we are developing robust mechanisms for future monitoring.

Primary KPIs

(same period last year)

0.2%

homelessness prevented, helped to stay in their home (2%)

8%

homelessness prevented, moved to alternative accommodation (22%)

28%

homelessness relieved, moved to alternative accommodation (34%)

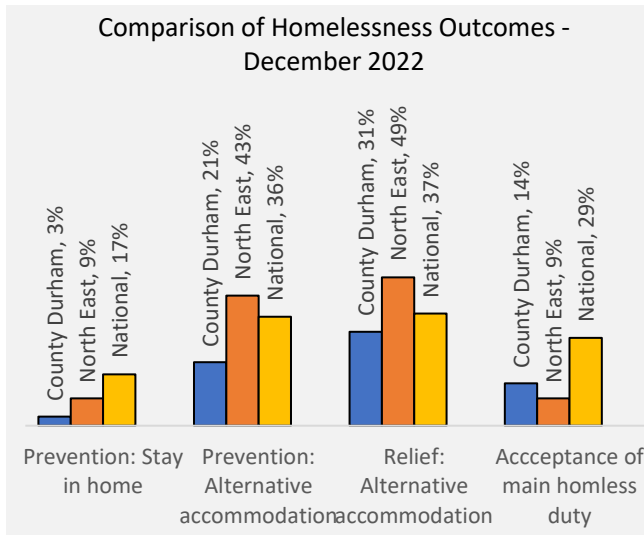
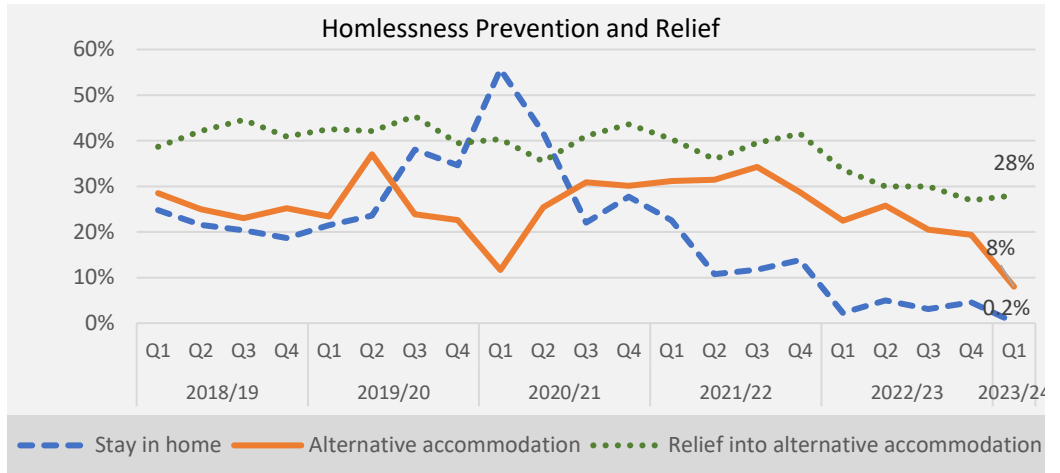
18%

households - acceptance of main homeless duty (14%)

Housing Vulnerable People Dashboard

Homelessness

- Prevention outcomes have decreased this quarter which has seen an increase in households moving into relief (i.e. becoming homeless) and households where there has been an acceptance of the main homeless duty (where relief duty has ended, and the client is not intentionally homeless and in priority need).
- We have appointed additional staff to assist with prevention and are carrying out a review to improve access into the private rented and social housing sectors, including a review of the local authority letting policy.
- Latest data shows we perform worse than regional and national averages for relief and prevention outcomes and above the regional average in relation to acceptance of the main homeless duty but better than national



Primary KPIs

10,727
Care Connect customers
(11,234, Q1 22/23)

99.72%
Care Connect calls answered in 3 mins
(99%)

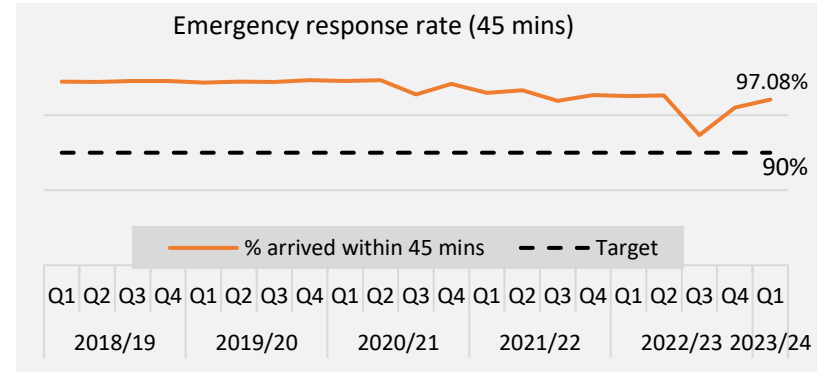
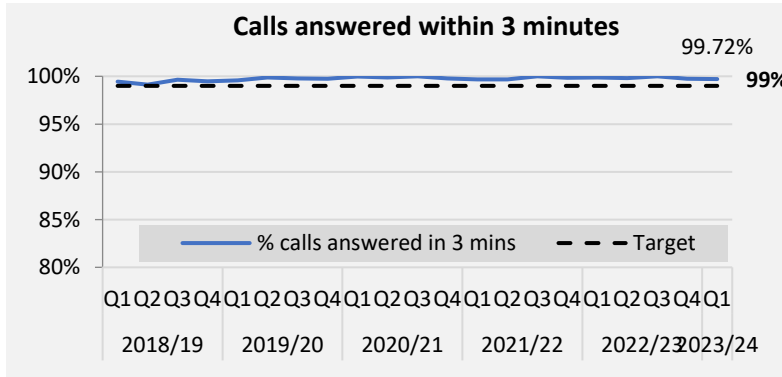
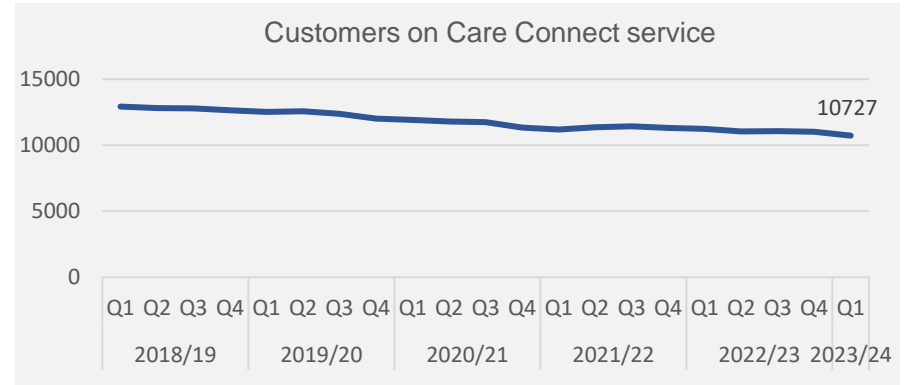
97.08%
Care Connect calls responded to in 45 mins
(90%)

68%
potential clients contact in 3 wks of initial referral for DFG
(90%)

Housing Vulnerable People Dashboard

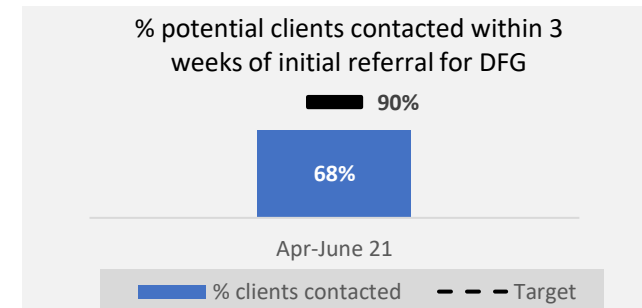
Care Connect

- Downward trend predicted largely due to the ongoing reduction in 'subsidised customers,' who have been leaving at an approx. rate of 300-400 per year. Despite having more 'full paying' customers than in 17/18, the loss of 'subsidised customers' is greater, giving the overall downward trend, which is likely to continue for 3-4 years.
- Other factors impacting general customer retention include patterns of behaviour, changing needs, the emergence of affordable consumer health technology, and the cost-of-living crisis.
- We continue to deliver our annual communications and marketing plan to attract new customers including sign up offers, targeted advertising, and online promotional videos.



Disabled Facilities Grants (DFG)

- Currently performing below target due to staffing shortages, however backlog is now being addressed and recruitment underway to fill vacant posts.
- This is a new measure and back data is in the process of being collated.



Priority: Our Communities

Durham is a great county in which to live, with flourishing communities which are connected and supportive of each other. We aim to,

- ensure standards will be maintained or improved across County Durham's housing stock
- have towns and villages which are vibrant, well-used, clean, attractive and safe
- ensure people will have good access to workplaces, services, retail and leisure opportunities
- ensure communities will be able to come together and support each other
- deliver new high-quality housing which is accessible and meets the needs of our residents
- ensure our rural communities will be sustainable whilst maintaining those characteristics which make them distinctive
- narrow the inequality gap between our communities
- build inclusive communities

National, Regional and Local Picture

- 64 Across County Durham there are approximately of 250,000 dwellings⁵. 63% are owner-occupied, 20% are social rented and 17% private rented.
- 65 Between April 2021 to March 2022, median house prices across the county were £123,000, consistently lower than the averages for the North East (£145,000) and England (£270,000). Although, since 2000, average house prices across the county have increased by 159% from £47,500 to £123,000, there is significant variation across the county.
- 66 57% of County Durham is classified as rural, with a further 32% classified as rural town and fringe⁶. 7% of the county's population (around 37,500 people) live in rural areas (0.3 people per hectare) and 37% live in rural town and fringe (2.7 people per hectare).⁷ Accessing opportunities across the county continues to be priority.

Going Well

Housing Delivery

- 67 1,551 homes were completed during 2022/23, 19% more (+243) above the annual target of 1,308.
- 68 Although the 322 homes completed during quarter one of this financial year was slightly below the target of 327 (-1.6%, -5 completions), a number of large schemes have recently commenced and are expected to complete later in the year.

Chapter Homes

- 69 Five sales were completed this quarter, in line with our projections despite rising interest rates. This is due to our provision of well-designed homes and a focus on ensuring advertising is fully maximised.

⁵ [Durham Insight - Housing](#)

⁶ Rural-Urban classification for Lower Super Output Areas (LSOAs) 2011

⁷ [Durham Insight - Rural](#)

Empty homes

- 70 64 empty homes were brought back into use as a result of local authority intervention, more than the target of 50 and the 33 completed in quarter four. Through our proactive approach 53 homes were brought back into use via negotiations, three via empty property interest free loans, seven by inspections through the Rent Deposit Guarantee Scheme inspections and one by intervention from the Local Lettings Agency.

Selective Licensing Scheme

- 71 Launched in April 2022, 9,316 of the 29,000 (approx.) (34%) private sector properties within the selective licensed areas are now licensed or have had legal proceedings instigated against them. 40 temporary exemption notices are in place (live) and 250 family exemptions exist. Two prosecution files are being processed, with 50 civil penalties being pursued and nine police and criminal evidence interviews scheduled but not yet carried out.
- 72 To ensure landlords participate in the scheme where required, we have undertaken investigatory work including visits, land registry checks and council tax checks. 1,000 letters have been sent to properties we believe are privately rented and this has resulted in an influx of applications. We will instigate enforcement/legal proceedings if no response is received and will revisit the exercise as and when necessary. Work is also underway to compare new census data against council modelling from 2020, and areas of low compliance will be targeted by the enforcement team.

ASB in Selective Licensing Areas

- 73 There were 213 incidents of anti-social behaviour per 10,000 population within selective licensing designated areas between 1 January and 31 March 2023. This is within 5% (11) of the target of 224 incidents, but 25% higher (+43 incidents) than the last reporting period (October to December 2022).
- 74 The countywide rate also increased for the period January to March by 14% to 128.46. During this time, both the county and selective licensing areas were affected by an increase in warden investigated ASB incidents and fly-tipping reports within the quarter. This is due to an increase in self-referrals from customers following promotional work by relevant teams. Five new wardens were also employed countywide which resulted in greater recording of incidents. Police reported incidents had fallen in the previous quarter due to reclassification of some ASB incidents, and fell again in January to March, which shows signs of improvement. The council's ASB and Noise teams remained relatively steady.

Durham Rental Standard Scheme (DRS)

- 75 To improve standards within the private rented sector outside of the areas covered by selective licensing, in July 2023 we launched the DRS. This voluntary accreditation scheme was developed in partnership with the National Residential Landlords Association (NRLA) and recognises and promotes professional standards in the private rented sector.

Issues we are addressing

Public Transport Patronage

- 76 Bus patronage remains lower than pre-COVID levels and is not likely to return to pre-COVID levels in the medium term. However, we continue to work in partnership at a regional level with bus operators and other local authorities to implement the North East Bus Service Improvement Plan (BSIP) to encourage patronage growth. In July, we launched the 'first fares initiative', introducing a £1 single bus fare for all under 22s on any bus service in the region. Other initiatives are to be developed including further new ticketing products, bus service improvements, bus priority measures to improve bus punctuality and journey times and updating bus stops and stations that have safety or accessibility issues.

Highways and Footways Maintenance

- 77 During quarter one, operational resourcing issues, parked cars hindering completion of works, conflicts with existing traffic management on the network and lead in times associated with permits to work caused the proportion of recorded Category 2.2 highway defects⁸ that were repaired within 3 months (88%) to drop below target (90%). However, this is an improvement on the previous two quarters (79% and 81% respectively). The in-house operational teams have been supported by our framework contractors and figures for July have all met targets which will hopefully continue going forward.

2022/23 Affordable housing

- 78 282 affordable housing units were completed this year, 238 via Homes England grant and 44 units secured by Section 106 Agreement. Although, this is much lower than last year overall due to 267 fewer being secured by Home England Grants, the units secured by Section 106 Agreements was higher by 13 units. The identified need set out in the County Durham Plan to deliver 826 affordable housing units per annum is extremely challenging to achieve as delivery is dependent on available viable sites coming forward for development.
- 79 The County Durham Plan provides a policy mechanism to secure affordable housing on all major new housing developments. The proportion required is based on viability testing and varies from 25% in highest value areas to a minimum of 10% in lower value areas, so we are securing the maximum affordable housing without compromising site viability.
- 80 We also work with developers where they are securing Homes England grants to deliver affordable housing and registered providers to deliver affordable schemes. We have also recently commenced the council house delivery programme, which seeks to deliver 500 council homes by 2026.

⁸Highway defects include pot holes, missing or damaged ironwork, highway subsidence / slippage, damage to safety fences or barriers, excessive standing water, or other damage. Cat.2.2 defects are not an immediate or imminent hazard, or risk of short-term structural deterioration. Due to non-urgent nature, required repairs are added to routine maintenance schedule to be carried out within 3 months.

Primary KPIs (compared to target)

322
net homes
completed
(327)

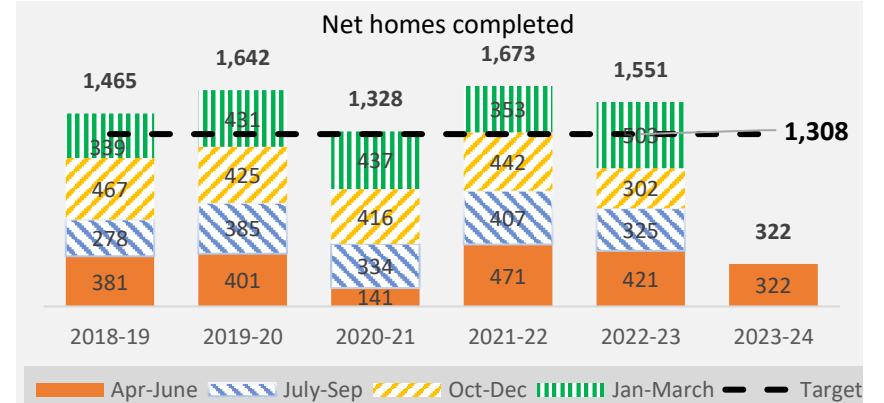
282
affordable homes
delivered

5
Chapter Homes
sold

Housing Delivery Dashboard

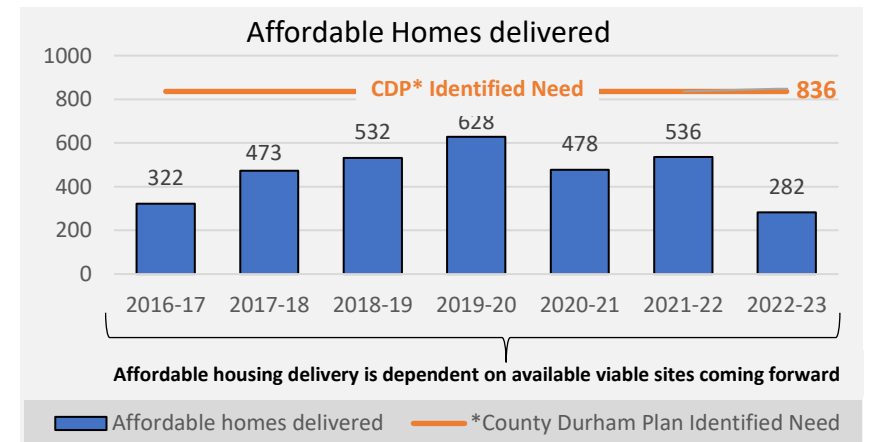
Net homes completed

- The County Durham Plan polices support the delivery of housing to meet identified need and ensure the right type of housing.
- Housing delivery consistently exceeds the levels of identified need for general housing.



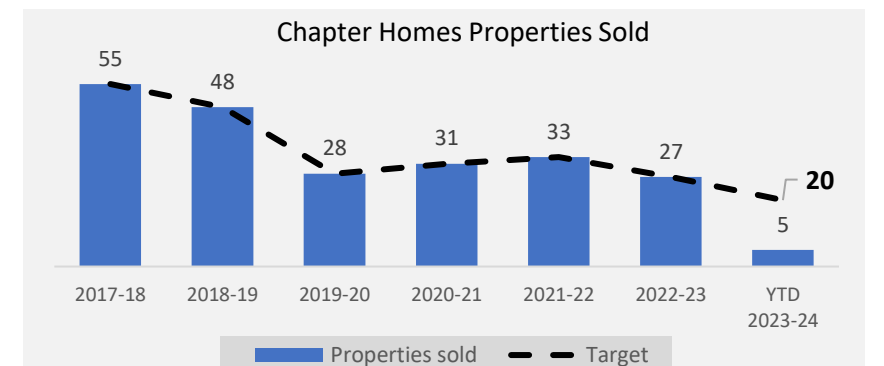
Affordable Housing

- Of the 282 affordable housing units completed this year, 238 were via Homes England grant and 44 units secured by Section 106 Agreement.
- Overall affordable homes was lower than last year, however those units secured through Section 106 Agreements was higher.
- It is extremely challenging to achieve the identified need set out in the County Durham Plan as delivery is dependent on available viable sites coming forward.
- We continue to work with developers where they are securing Homes England grants to deliver affordable housing and registered providers to deliver affordable schemes.



Chapter Homes

Despite rising interest rates Chapter Homes sales are in line with projections due to the quality and advertising of our homes.



Primary KPIs (compared to target)

64
empty homes brought back into use (50)

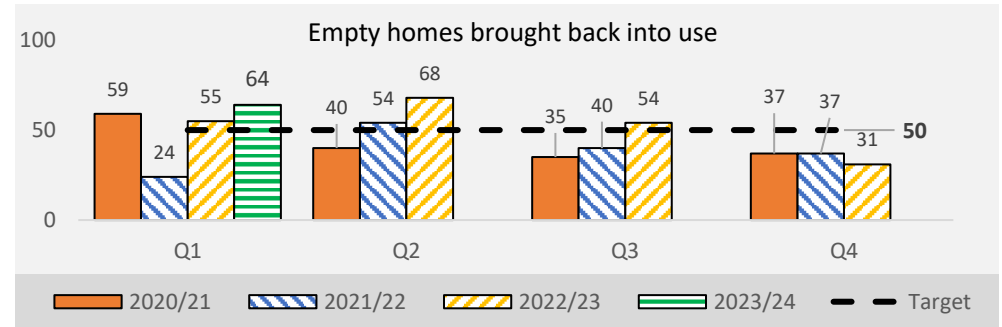
34%
PRS properties - licensed or legal proceedings instigated

212.97
ASB incident rate per 10,000 population in SL areas (224.27)

Housing Standards Dashboard

Empty Homes

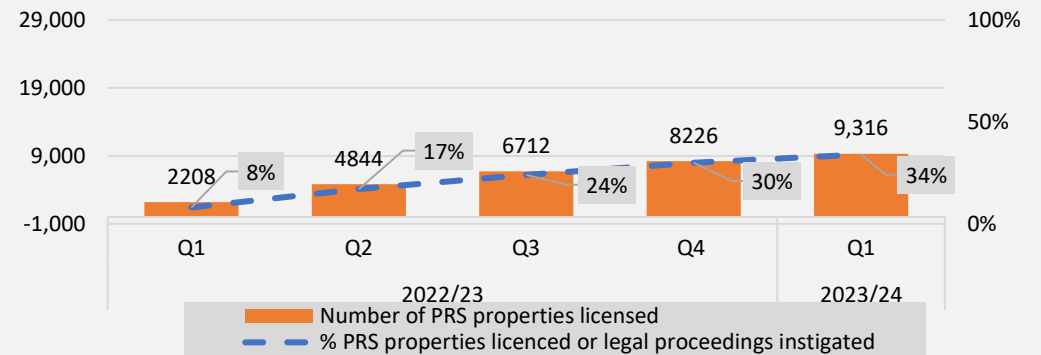
We continue to address empty homes in the county via negotiations, advice, financial assistance, working with registered social landlords and interventions via the Local Lettings Agency and Rent Deposit Guarantee Scheme.



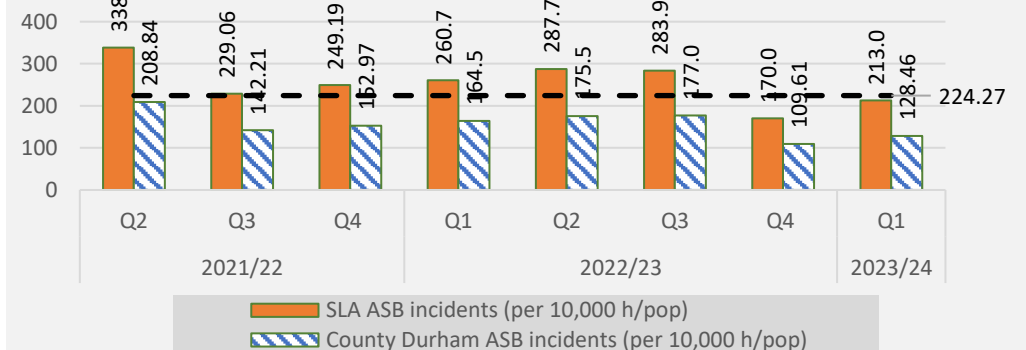
Selective Licensing

- We have undertaken investigatory work to ensure landlords are participating in the scheme where required. 1,000 letters have been sent to landlords where we believe the property is privately rented.
- The ASB rate in Selective Licensing areas remains lower than target but increased compared to the previous period due to increases in warden investigated incidents and fly-tipping following promotional work with communities in relation to these issues.

Private rented sector properties licenced or legal proceedings instigated (YTD) (to achieve 100% (29,00 approx) by March 2027)



ASB Incidents (per 10,000 population) within SLAs in the quarter



SLA: selective licensing area

Primary KPIs (compared to target)

4,715,602
public transport
journeys
(4,340,114, Q4 21/22)

93%
Cat 1 highway defects
repaired within 24 hrs
(90%)

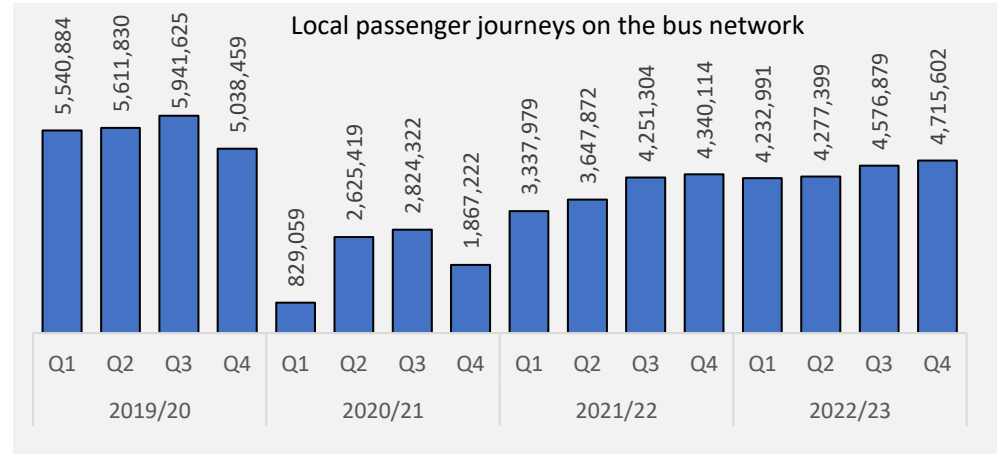
95%
Cat 2.1 highway
defects repaired
within 14 days
(90%)

88%
Cat 2.2 highway
defects repaired
within 3 months
(90%)

Transport Connectivity Dashboard

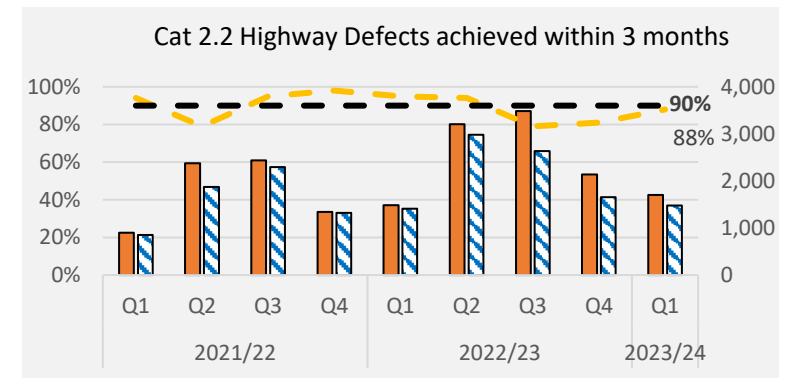
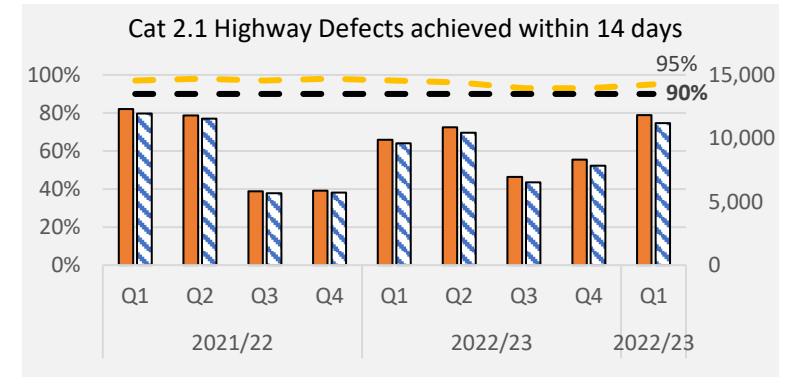
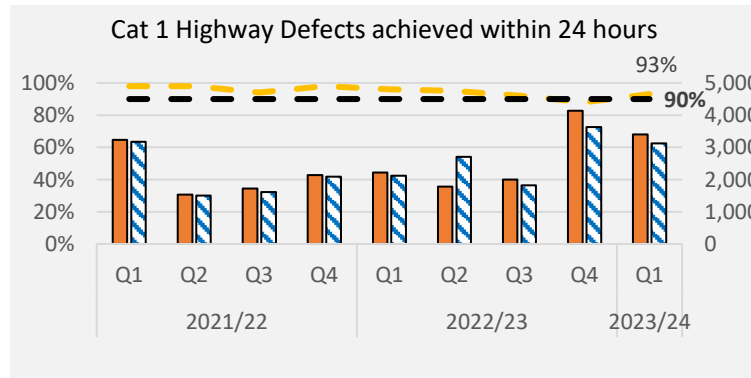
Public Transport Patronage

- Bus patronage remains lower than pre-COVID levels.
- We continue to work in partnership at a regional level with bus operators and other local authorities to implement the North East Bus Service Improvement Plan (BSIP).



Highway Maintenance

- Operational teams have been supported through our framework contractors and an early indication for July shows improvement in Category 2.2 performance.



█ Identified ▨ Achieved
— % within target — Target 90%

Data Tables

Key to Symbols

| Performance against target and previous performance | | Performance against comparable groups | |
|---|----------------------|---------------------------------------|---|
| ✓ | meeting or exceeding | ✓ | Performance is better than national or North East |
| ○ | within 2% | ✗ | Performance is worse than national or North East |
| ✗ | more than 2% behind | S | Performance is the same as national or North East |

Types of indicators

There are two types of performance indicators throughout the report:

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

National Benchmarking (N)

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

North East Benchmarking (NE)

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

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

Our Economy

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|--------------|--------------|---------|
| | | Period target | 12 months earlier | N | NE | |
| Increase the level of GVA per filled job to close the gap with the national average by 2035 | £46,245 (2020) | Tracker - | £46,036 ✓ | £58,995 x | £48,486 x | No |
| Increase the employment rate for 16 - 64 year olds to close the gap with the national average by 2035 <i>Confidence intervals +/-3.2pp</i> | 72.2% (Jan-Dec 22) | Tracker - | 71.1% ✓ | 75.8% x | 70.5% S | No |
| Increase the disability employment rate to close the gap between the employment rates for residents with a disability and those who are not disabled <i>Confidence intervals +/-6.9pp</i> | 41.9% (Jan-Dec 22) | Tracker - | 48.5% ✓ | 57.3% x | 46.5% S | No |
| FTE jobs created or safeguarded through regeneration schemes (cumulative) | 83 (Apr-Jun 23) | Tracker - | 36 ✓ | | | Yes |
| No. of registrations to employability programmes (cumulative) | 173 (Apr-Jun 23) | Tracker - | 210 x | | | Yes |
| No. of participants on employability programmes progressed into employment / education or training (cumulative) | 105 (Apr-Jun 23) | Tracker - | 98 ✓ | | | Yes |
| Increase the proportion of residents with higher level skills to close the gap with the national average by 2035 <i>Confidence intervals +/-5pp</i> | 32.4% (2021) | Tracker - | 31.6% ✓ | 34.5% S | 43.2% x | No |
| Grow the number of private sector employments per 10,000 head of population within County Durham to close the gap with the national average by 2035 | 2,877 (2021) | Tracker - | 2,651 ✓ | 4,044 x | 3,284 x | No |
| Grow the number of private sector business per 10,000 head of population within County Durham to close the gap with the national average by 2035 | 274 (2022) | Tracker - | 271 ✓ | 424 x | 272 S | No |
| No. of jobs created or safeguarded as a result of Business Durham activity | 350 (Apr-Jun 23) | 375 x | 912 x | | | Yes |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| No. of businesses supported by Business Durham (engagements) | 105 (Apr-Jun 23) | 250 x | 263 x | | | Yes |
| % of Business Durham floor space that is occupied | 89.6% (Apr-Jun 23) | 95% x | 97% x | | | Yes |
| No. of new businesses supported by CED Team | 63 (Apr-Jun 23) | Tracker - | 61 ✓ | | | Yes |
| No. of business supported through regeneration projects (cumulative) | 18 (Apr-Jun 23) | Tracker - | 9 ✓ | | | Yes |
| No. of inward investments secured | 3 (Apr-Jun 23) | 1 ✓ | 2 ✓ | | | Yes |
| Amount of investments secured for companies | £384,000 (Apr-Jun 23) | £1,250,000 x | £1,614,513 x | | | Yes |
| Increase employment land approved and delivered by 300 hectares (Ha) by 2035 | 13.32Ha (2022/23) | 28.46Ha x | 5.51Ha ✓ | | | Yes |
| Increase the number of organisations involved in the Better Health at Work Award | 105 (Jun 23) | Tracker - | 87 ✓ | | | Yes |
| Increase the number of visitors to the County to pre-COVID levels by 2035 | 17.91m (2022) | 17.085m ✓ | 15.77m ✓ | | | Yes |
| Amount (£ million) generated by the visitor economy | £1.04bn (2022) | £750.5m ✓ | £826.6m ✓ | | | Yes |
| No. jobs supported by the visitor economy | 11,724 (2022) | 10,191 ✓ | 10,063 ✓ | | | Yes |
| Increase the proportion of visitor attractions which are served by public transport (against 2019 baseline) | 67% (Dec 2022) | Tracker - | new PI | | | No |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| No of tourism businesses actively engaged with Visit County Durham | 230 (2022) | Tracker - | 236 x | | | No |
| Number of people attending CS&T ran and commissioned cultural events | 28,000 (Apr-Jun 23) | Tracker - | 30,000 x | | | Yes |
| No. of people attending council owned cultural venues (Killhope & town halls) | 40,301 (Apr-Jun 23) | Tracker - | | | | Yes |
| Average % occupancy of cinema screenings during the quarter (Gala, Empire & BATH) | 23% (Apr-Jun 23) | 20% ✓ | 22% ✓ | | | Yes |
| Average % yield of cinema screenings during the quarter (BATH, Gala and Empire) | 22% (Apr-Jun 23) | 20% ✓ | 22% ✓ | | | Yes |
| Average % occupancy of theatre performances during the quarter (Gala, Empire & BATH) | 63% (Apr-Jun 23) | 65% x | 63% ✓ | | | Yes |
| Average % yield of theatre performances during the quarter (BATH, Gala and Empire) | 58% (Apr-Jun 23) | 60% x | 58% ✓ | | | Yes |
| Number of active borrowers (libraries) | 44,160 (Apr-Jun 23) | 43,585 ✓ | 38,233 ✓ | | | Yes |
| Number of digital borrowers (libraries) | 3,852 (Apr-Jun 23) | 3,825 ✓ | 3,212 ✓ | | | Yes |
| Increase the % of 16-17-year-olds in an apprenticeship | 7.1% (Mar 2023) | Tracker - | 5.5% ✓ | | | Yes |
| Number of council owned/managed heritage assets classed as 'at risk' | 3 (2022) | Tracker - | 3 ○ | | | No |
| Reduce the number of heritage assets 'at risk' that are categorised as 'Priority A' and/or in 'very bad condition' | 6 (2022) | Tracker - | 7 ✓ | | | No |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|----------------------|----------------------|---------|
| | | Period target | 12 months earlier | N | NE | |
| No. of households receiving energy advice from Managing Money Better (MMB) Initiative | 70 (Apr-Jun 23) | Tracker - | 189 x | | | Yes |
| £s saved per household as a result of energy efficiency advice provided by Managing Money Better (MMB) Initiative | £115 (Apr-Jun 23) | Tracker - | £177.41 x | | | Yes |
| % of major planning applications determined within 13 weeks (or extension agreed through Planning Performance Agreement) | 91.2% (Apr-Jun 23) | 90% ✓ | 93.3% x | 86% (Sep 22) ✓ | 81% (Sep 22) ✓ | Yes |

Our Environment

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|----------------------------------|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Park and Ride passenger journeys | 111,366 (Apr-Jun 23) | Target (tbc) | 102,446 ✓ | | | Yes |

Our People

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Ensure all new housing developments deliver at least 66% of their total units to meet accessible and adaptable standards (building Regulations requirement M4(2)) | new PI | new PI | new PI | | | No |
| Ensure all new housing developments deliver at least 10% of their total units that are suitable for older persons | new PI | new PI | new PI | | | No |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|----------|----------|---------|
| | | Period target | 12 months earlier | N | NE | |
| % of households prevented from homelessness and helped to stay in their home | 0.2% (Apr-Jun 23) | Tracker - | 2% x | 17% x | 9% x | Yes |
| % of households prevented from homelessness and helped to move to alternative accommodation | 8% (Apr-Jun 23) | Tracker - | 22% x | 36% x | 43% x | Yes |
| % of households where homelessness has been relieved, and the client moved into alternative accommodation | 28% (Apr-Jun 23) | Tracker - | 34% x | 37% x | 49% x | Yes |
| % of households where there has been an acceptance of the main homeless duty | 18% (Apr-Jun 23) | Tracker - | 9% x | 29% ✓ | 9% x | Yes |
| % of successful move-ons from Local Lettings Agency (LLA) accommodation at the end of their licence agreement | new PI | Tracker - | new PI | | | No |

Our Communities

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Reduce the average vacancy rate of our town centres to below national average by 2035 | new PI | new PI | new PI | | | No |
| Public satisfaction with ease of access <i>(confidence intervals +/-4pp)</i> | 73% (2022) | Tracker - | 77% ✓ | | | No |
| Maintain levels of satisfaction with bus operators at a minimum of 92% <i>(confidence intervals +/-4pp)</i> | 92% (2019) | 92% ✓ | ✓ | | | No |
| Increase the % of households (within a 5 mile or 15 mile radius) which can access key service locations using public transport | new PI | new PI | new PI | | | No |
| | new PI | new PI | new PI | | | No |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Increase the % of County Durham residents who can access employment sites by public transport | | | | | | |
| % of timetabled bus services that are on time at scheduled timing points - service no more than 5 min late or 1 min early | new PI | new PI | new PI | | | No |
| Local passenger journeys on public transport | 4,715,602 (Jan-Mar 23) | Tracker - | 4,340,114 ✓ | | | Yes |
| % of A roads where maintenance is recommended | 3.7% (2022) | Tracker - | 3.0% ✓ | | | No |
| % of B roads where maintenance is recommended | 3.3% (2022) | Tracker - | 3.1% ✓ | | | No |
| % of C roads where maintenance is recommended | 3.5% (2022) | Tracker - | 2.3% ✓ | | | No |
| % of unclassified roads where maintenance is recommended | 25.0% (2022) | Tracker - | 22.8% ✓ | | | No |
| Percentage of 'footways' structurally unsound | 22.5% (2020) | Tracker - | 20.9% x | | | No |
| Bridge Stock Condition – Principal Roads | 82.0% (2020) | Tracker - | 81.1% ✓ | | | No |
| Bridge Stock Condition – Non-Principal Road | 81.0 (2020) | Tracker - | 80.1 ○ | | | No |
| % of recorded Category 1 highway defects repaired within 24 hours | 93% (Apr-Jun 23) | 90% ✓ | 96% x | | | Yes |
| % of recorded Category 2.1 highway defects repaired within 14 days | 95% (Apr-Jun 23) | 90% ✓ | 97% x | | | Yes |
| % of recorded Category 2.2 highway defects repaired within 3 months | 88% | 90% | 95% | | | Yes |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|----------|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| | (Apr-Jun 23) | x | x | | | |
| Maintain a downward trend in the amount of Highways Maintenance Backlog | £171.2m (2020) | Tracker - | £172.6m ✓ | | | No |
| Maintain levels of public satisfaction with highways maintenance above the national average. <i>(confidence intervals +/-4pp)</i> | 47% (2022) | Tracker - | 50% ✓ | 46% ✓ | | No |
| Square metres of footway maintained and repaired over and above the core programme | new PI | new PI | new PI | | | No |
| Aim to increase net delivery of affordable homes to contribute to meeting identified need of 12,540 by 2035 | 282 (2022/23) | 836 x | 536 x | | | Yes |
| No. of Chapter Homes properties sold | 5 (Apr-Jun 23) | 5 ✓ | 3 x | | | Yes |
| Increase net delivery of new housing each year by 1,308 houses | 322 (Apr-Jun 23) | 327 ○ | 421 x | | | Yes |
| Bring 200 empty homes back into use per year as a result of local authority intervention | 64 (Apr-Jun 23) | 50 ✓ | 55 ✓ | | | Yes |
| Achieve 100% of PRS properties covered by Selective Licence Scheme that are licensed, or legal proceedings instigated by 2027 | 34% (Apr-Jun 23) | Tracker - | 8% ✓ | | | Yes |
| Reduce ASB rates (per 10,000 population) within the Selective Licensing Scheme areas by 10% (against the 2021 baseline) | 212.97 (Jan-Mar 23) | 224.28 ✓ | 261 ✓ | | | Yes |

**Economy and Enterprise
Overview and Scrutiny Committee**

18 September 2023

**Quarter One, 2023/24
Performance Management Report**



Report of John Hewitt, Chief Executive Officer

Electoral division(s) affected:

Countywide.

Purpose of the Report

- 1 To present an overview of progress towards delivery of the key priorities within the Council Plan 2023-27 in line with the council's corporate performance framework.
- 2 The report covers performance in and to the end of quarter one, 2023/24, April to June 2023.

Executive Summary

- 3 The County Council is a key partner within the County Durham Together Partnership. Collectively partners work towards delivering a shared plan - the [County Durham Vision 2035](#). The vision document was developed with partner organisations and the public. It sets out what we would like the county to be like over the next decade and beyond. The vision is for:

a place where there are more and better jobs, people live long, and independent lives and our communities are well connected and supportive.

- 4 We have set out how the council will operate effectively in the delivery of its services and its contribution to achieving this vision in our [Council Plan](#)⁹. The Council Plan¹ is structured around five thematic areas: our economy, our environment, our people, our communities, and our council. We monitor our success through a suite of Key Performance Indicators (our corporate performance framework), which forms the basis of this report.

⁹ The [Council Plan](#) is a rolling four-year plan and is refreshed every year in line with the Medium Term Financial Plan. The current version covers 2023 to 2027

- 5 In line with previous reports, we are continuing to report performance on an exception basis with key messages against the five thematic areas. In any given quarter, we will only include key performance indicators which have been updated during that quarter, for example, educational attainment will be updated annually in quarter three.

Context

- 6 The council is a large organisation providing a broad range of services, and our operating environment can at times be challenging. However, we continue to show strong performance across our key outcomes.
- (f) Across the county, inward investment continues, new infrastructure is being created and new business parks with the potential to create thousands of jobs are being developed. The promotion of the county as a year-round tourist destination continues (in 2022, tourism contributed more than £1 billion to our local economy for the first time).
 - (g) Demand for statutory children's social care and early help remains consistent overall, though the composition of needs and interventions are increasingly complicated. Caseloads are improving and targeted recruitment is proving successful.
 - (h) Although health continues to be a challenging area, life expectancy is increasing, and life chances are improving. We are continuing to help households who are financially vulnerable through our financial support schemes.
 - (i) Environmental cleanliness remains good, and carbon emissions are reducing significantly from the 1990 baseline.
 - (j) We have increased lower cost, more accessible contact options for our customers through our digital work, and user satisfaction with our services remains high.

Recommendation

- 7 That Economy and Enterprise Overview and Scrutiny Committee notes the overall strong position and direction of travel in relation to quarter one performance, and the actions being taken to address areas of challenge.

Analysis of the Performance Report

- 8 The areas identified in this section are contributory indicators linked to the priorities of the Council Plan. Performance is reported on an exception basis with key messages against the five thematic areas within the Council Plan 2023-2027.

Our Economy

- 9 The aim of this priority is to create an inclusive economy with more and better jobs, major employment sites which cement our position as a premier place in the region to do business, a good tourism base and cultural offer, and employability support programmes which help people back into jobs or to start their own business. Our children and young people will receive the education and training required to access opportunities.

Going Well

- 10 91.2% of major planning applications were determined within the 13 week target, exceeding target (90%) and placing us in the top quartile nationally.
- 11 We have recently added additional floorspace to our business property rental portfolio. Although this brought occupancy (89.6%) below our increased target (95%), demand remains high and we expect these to be occupied soon.
- 12 As a result of engagements with businesses by Business Durham 350 jobs were created or safeguarded. 83 jobs were created or safeguarded through our regeneration schemes. Placing us on track at quarter one to achieve annual targets.
- 13 Our continued investment in our cultural events programme led to approximately 28,000 people attending Bishop Auckland Food Festival (BAFF), slightly below figures for last year due to heavy rainfall on the Saturday morning. A full evaluation for BAFF will be available in quarter two.
- 14 Both library active borrowers and digital borrowers performed above target (by +1.3% and +7%, respectively) and are on an upward trajectory. Our strong offer via the BorrowBox App is driving digital borrowers and we plan to build on this trend for active borrowers with a new outreach team.
- 15 Average occupancy levels and yield¹⁰ for cinema screenings exceeded targets (by +3pp and +2pp, respectively) as a result of our new cinema offer. We are trialling a new family programme and reducing cinema ticket prices at the Empire to boost sales.
- 16 Our ongoing activity to promote the county as a destination through national and international marketing campaigns has resulted in, in 2022 tourism contributing over £1 billion to Durham's economy for the first time and performing well above target (£760.5m). Visitor numbers of 17.9m were also

¹⁰ Yield: proportion of potential income achieved

above target (17.095m), as were the number of people employed in tourism (11,724 against target of 10,191 jobs).

Areas which require attention

- 17 In relation to our employability programmes Job Centres referring clients onto the Restart Programme and capacity issues with our delivery partners have caused registrations this quarter (173) to reduce by 42% (125). We are exploring ways to increase registrations including through community engagement activities and events. Although, despite fewer registrations, 105 clients progressed into employment and education/training this quarter. An increase of 13% (12) compared to quarter four which places us on track to achieve the annual target of 235.
- 18 Average occupancy levels and yield for theatre performances were below targets (both by -2pp) due to hiring out the venues on a number of occasions to amateur companies, colleges and dance schools, with companies taking a lead on marketing.

Our environment

- 19 The aim of this priority is to protect our natural environment, including biodiversity and healthy ecosystems. In 2019, the council declared a climate emergency with a commitment to reduce carbon emissions to net zero by 2030 and contribute towards a carbon neutral county by 2045. In April 2022, the council declared an ecological emergency and committed to address ecological decline wherever possible. Our county is of significant landscape value and supports unique combinations of plant and animal species.

Areas which require attention

- 20 Passenger journeys on the Park and Ride Service (111,366) remain significantly lower than pre-COVID-19 (248,700) due to changes in working behaviours and 'Free after 2pm' in our off-street car parks. We continue to implement a wide range of changes to improve the service at our main site (Belmont). A scheme is also being progressed to extend the number of parking bays at Sniperley.

Our people

- 21 The aim of this priority is to help our residents live long and independent lives and remain in good health for as long as possible. We will protect and improve health by tackling the leading causes of illness and early death, inequalities and the challenges around mental health. We will ensure a sustainable high-quality care market and will invest in a multi-million pound programme to transform our leisure centre venues.

Areas which require attention

- 22 Homelessness prevention outcomes have decreased this quarter. Of those households assisted only 0.2% (-4pp compared to quarter four) were helped to

stay in their own home and 8% (-11pp compared to quarter four) helped to secure accommodation. This has resulted in an increase in the proportion of households being assisted through the homelessness relief duty (28%, +1pp compared to quarter four and households where relief duty has ended and the client is not intentionally homeless and in priority need (main homeless duty) (18%, +6pp compared to quarter four).

- 23 This is due to move on options being limited. We have appointed additional staff to assist with prevention work and also carrying out a review to improve access into the private rented and social housing sectors.

Our communities

- 24 The aim of this priority is to ensure our communities are well connected and supportive of each other, with vibrant and accessible towns and villages which are well-used, clean, attractive and safe. We will support our most vulnerable residents, particularly those isolated or financially vulnerable. We will maintain a strong focus on tackling poverty throughout the cost-of-living crisis.

Going Well

- 25 Net homes completions figure reported in quarter four has been readjusted to reflect a number of sites that had completed but had not yet been recorded. This brings the actual year-end total for homes completed for 2022/23 to 1,551. This is 19% (243) above the target of 1,308 included in the Local Plan and Housing Strategy.
- 26 For the first quarter of this financial year, there were 322 net homes completed, which is slightly below profiled target of 327 (-1.6%, -5 completions). However, a number of large recently commenced schemes and are expected to complete later in the year.
- 27 64 empty homes were brought back into use as a result of local authority intervention at the year end, exceeding the profiled target of 50.
- 28 34% of properties covered by our selective licensing scheme (launched 1 April 2022) are fully licenced or have legal proceedings instigated. To ensure landlords are participating in the scheme where required we are undertaking investigatory work and instigate enforcement proceedings where required.

Areas which require attention

- 29 Bus patronage remains lower than pre-COVID levels and is not likely to return to pre-COVID levels in the medium term. We continue to work in partnership at a regional level with bus operators and other local authorities to implement a range of initiative through the North East Bus Service Improvement Plan (BSIP) to encourage patronage growth.

- 30 During quarter one, operational resource and delivery issues resulted in the proportion of recorded Category 2.2 highway defects¹¹ that were repaired within 3 months (88%) to drop below target (90%). Operational teams have been supported through our framework contractors and an early indication for July shows improvement.
- 31 There have been 282 affordable housing units completed this year, 238 via Homes England grant and 44 units secured by Section 106 Agreement. Whilst based on identified need, it is extremely challenging to achieve the target of 836 per annum while balancing the viability of housing schemes. We work with developers where they are securing Homes England grants to deliver affordable housing and registered providers to deliver affordable schemes. We have also recently commenced the council house delivery programme, which seeks to deliver 500 council homes by 2026.

Risk Management

- 32 The government's statutory guidance for best value authorities sets out the characteristics of a well-functioning authority. This details the arrangements that councils should have in place for robust governance and scrutiny including how risk awareness and management should inform decision making. The latest risk management progress report can be found [here](#).

¹¹ Highway defects can include pot holes, missing or damaged ironwork, highway subsidence / slippage, damage to safety fences or barriers, excessive standing water, or other damage. Category 2.2 defects are deemed not to represent an immediate or imminent hazard, or risk of short-term structural deterioration. Due to their non-urgent nature, required repairs are added to future routine maintenance schedule to be carried out within 3 months.

Background papers

- County Durham Vision (County Council, 23 October 2019)
<https://democracy.durham.gov.uk/documents/s115064/Draft%20Durham%20Vision%20v10.0.pdf>

Other useful documents

- Council Plan 2023 to 2027 (current plan)
<https://www.durham.gov.uk/media/34954/Durham-County-Council-Plan-2023-2027/pdf/CouncilPlan2023-2027.pdf?m=638221688616370000>
- Quarter Four, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s174900/Item%204%20Q4%2022-23%202%201.pdf>
- Quarter Three, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s166398/Corporate%20Performance%20Report%20Q2%202022-23%20v2.1.pdf>
- Quarter Two, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s166398/Corporate%20Performance%20Report%20Q2%202022-23%20v2.1.pdf>
- Quarter One, 2022/23 Performance Management Report
<https://democracy.durham.gov.uk/documents/s161902/Corporate%20Performance%20Report%20Q1%202022-23%20Revised.pdf>

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Appendix 1: Implications

Legal Implications

Not applicable.

Finance

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

Consultation

Not applicable.

Equality and Diversity / Public Sector Equality Duty

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

Climate Change

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

Human Rights

Not applicable.

Crime and Disorder

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

Staffing

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

Accommodation

Not applicable.

Risk

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

Procurement

Not applicable.



Durham County Council Performance Management Report Quarter One, 2023/24



1.0 Our Economy: National, Regional & Local Picture

- 1 Our economy is showing signs of strength across a range of performance indicators. Employment is being sustained at the highest levels for the last twenty years and unemployment remains low, which reflects the trends at the national level. We are showing strong signs of demand for development land as well as industrial and office premises of all sizes. 10,000 more jobs have been created in the county over the last decade.
- 2 Our manufacturing sector has remained strong during the last few challenging years, is innovating, driving green growth, and supporting a range of other sectors such as logistics and business services. With rising energy costs, businesses have invested in solutions that have reduced their energy usage, costs, and helping to drive down carbon emissions. However, the last few years have been very challenging for the retail, hospitality, public, and voluntary sectors with few signs that conditions will start to improve.
- 3 There is a growing demand for workers in the county and the balance of jobs is starting to shift with more people achieving higher levels of education and training and moving into better paid jobs. However, the employment rate remains below the national average. We continue to lose many of our most talented people to urban areas which offer higher wages and have a greater choice of private sector jobs. Wages are growing but remain low compared to other areas and the cost of living is a long-term problem, especially for the large numbers of people with health conditions, disabilities, and caring responsibilities.
- 4 There is a growing gap across a range of economic performance within the county and region compared to national levels, which needs sustained support and investment.

1.1 Council Activity: Going Well

Planning Applications

- 5 Performance in relation to the processing of major planning applications exceeded target (90%) contributing to economic growth through timely delivery of decisions. Of the 34 major planning applications received, 91.2% (31) were determined in target of 13 weeks. Although quarter one position is 2.9pp less than quarter four (94.1%), more planning applications were received compared to last quarter (17).
- 6 The latest benchmarking data (at September 2022) shows our performance to be better than both the North East and England averages.

Investments

- 7 Business Durham secured £384,000 of investments for companies in the quarter, including a £250,000 through the Finance Durham Fund to Power Roll. a developer of ultra-low-cost and lightweight flexible film for energy generation and storage. The investment will support construction of a solar film pilot plant in County Durham, further improve efficiency of Power Roll's solar film technology and help commercialise its capacitor technology with its joint venture partner.
- 8 Three inward investments have been supported by Business Durham exceeding the projected target (1); these were Everflow Utilities, TOX 247 and Impact Recycling.

Business Durham Floor Space

- 9 We have recently added additional floorspace to Business Durham's office and industrial portfolio with new units at Station Place and two new offices at the Durham Dales Centre. This increase in overall floorspace has reduced the occupancy rate to 89.6%, below the increased target of 95%. However, demand remains high and we expect these to be occupied soon. Excluding this additional new floorspace, overall occupancy across the Business Durham portfolio was 95.25%

Business support and job creation/safeguarded activity

- 10 105 businesses were engaged including 44 intensively assisted, lower than the profiled 250 due to the transition from the end of most ERDF funded schemes and the mobilisation period for the new UKSPF Productivity and Growth Programme. Businesses have been intensively assisted via the range of ERDF funded programmes and one to ones through the Business Engagement & Account Managers.
- 11 As a result, 350 FTE jobs were created or safeguarded during quarter one (306 created and 44 safeguarded), which is slightly lower than the period target of 375 but broadly on track to achieve the annual target (1,000) as delivery can fluctuate across the year.
- 12 During quarter one our Community Economic Development Team engaged with 63 new retail businesses. Through our regeneration schemes 83 FTE jobs were created and 18 businesses supported; 13 via Towns & Villages Programme, four via Property Reuse Scheme and one via Conservation Area Grant Scheme. Although no businesses were supported via Targeted Business Improvement Schemes and Seaham Townscape Heritage Programme this quarter, we are currently supporting 5 major schemes across these two programmes with the potential to create a further 70 FTEs these are complete later this year. All schemes are progressing as expected, with quarter one position on track to achieve annual targets.

Employability Programmes 2022-23 Year end position

- 13 During 2022/23, 1,058 people registered onto our Employability Programmes, which is 17% (153) above annual target of 905. Out of the 1,058 registrations, 454 clients progressed into employment or education/training, again above annual target of 400

by 13.5% (54). Although referral numbers were affected by Job Centres directing clients to the Restart Programme, registrations onto our programmes increased in the first part of the year due to increased capacity from our delivery partners onto the L!NKCD programme, and registrations from Ukrainian arrivals.

- 14 Employability programmes are currently funded through the European Social Fund, due to end December 2023. As such, targets for 2023/24 have been amended to reflect reduced delivery time. However, £4.9m has recently been allocated from the UK Shared Prosperity Fund (People and Skills Investment priority) for us to deliver employability support programmes that will extend programmes until March 2025. Work is ongoing to develop a revised service offer and future targets will be readjusted accordingly.

Cultural events

- 15 Bishop Auckland Food Festival (BAFF) welcomed approximately 28,000 visitors across the two-day event in April, slightly below attendance figures for last year due to heavy rainfall on the Saturday morning. BAFF is just one of many cultural events taking place in County Durham this year, cementing Durham's position as the 'culture' county and demonstrating the council's ongoing commitment to culture-led regeneration. A full evaluation for BAFF will be available in quarter two. Durham Brass returned in July with some of the UK's finest artists entertaining visitors across the city centre; and Seaham Food Festival returns in August offering sensational street food, family entertainment, live and cookery demonstration. Booth events will be reported at quarter two.

Visits to council owned cultural venues during quarter one

- 16 There were 40,301 visits to our cultural venues during quarter one. Visits reported during 2022/23 for Durham Town Hall were under-reported due to incorrect recording practices which have now been rectified however figures cannot be revised. Due to seasonality and variations in the events programme, there is currently no comparable data for this indicator however work is ongoing to develop more robust mechanism for future monitoring.

Libraries

- 17 Both active borrowers and digital borrowers performed above target this quarter, with 44,160 (+1.3%, 575) and 3,852 (+.7%, 27) borrowers respectively. Although active borrower numbers are not back to pre-covid levels, figures are following an upward trend quarter on quarter and we plan to on build on this with a new outreach team. Digital borrower figures also continue on an upward trend mainly due to our strong digital offer via the BorrowBox App.

Cinemas: Gala, Bishop Auckland Town Hall and Empire

- 18 Average occupancy rate across all cinema screenings during the quarter was 23% which is 3pp above target, but slightly lower than the same period last year (1pp).

Average yield¹² for all cinema screenings is 22%, which is 2pp above target and on par with the same period last year (22%). Our new cinema offer with special events, senior screenings for 60+ and parent and baby screenings have contributed to exceeding targets. This summer the team are trialling a new family programme and reducing cinema tickets at the Empire to £5 in line with the Gala to help boost sales.

Visitor Economy

- 19 Our ongoing activity to promote the county as a destination through national and international marketing campaigns is encouraging visitors, longer stays and people to see and do more in Durham. This has resulted in higher spending in the local economy, creating a positive outlook for future sustainable economic growth.
- 20 Latest STEAM¹³ data shows that in 2022 tourism contributed over £1 billion to Durham's economy for the first time ever. This is well above target (£760.5m) and above 2021 position (£826.28m). Although visitor numbers of 17.9m have not yet reached pre-pandemic levels, they are above target (17.095m) and well ahead of 2021 position (15.77m); demonstrating how the county's visitor economy is back on track following the COVID-19 pandemic.
- 21 Further evidence of the sector's recovery can be seen in the rising employment levels, with the number of people employed in tourism in Durham increasing from 10,063 in 2021 to 11,724 in 2022. This is also ahead of 2022 target of 10,191 jobs.

1.2 Council Activity: Areas which require attention

Employability Programmes

- 22 During quarter one, 173 clients registered onto our Employability Programmes, a reduction of 42% (125) compared to quarter four. Registrations have been impacted by a drop in referrals for the third consecutive quarter due to Job Centres continuing to direct more clients to the Restart Programme and the remaining clients less likely to register onto programmes after initial contact due their complex needs. One of our delivery partners has also left the LINKCD programme affecting delivery capacity, as well as staff sickness and maternity leave affecting programme delivery. We are working closely with our remaining delivery partners and our Area Teams to identify opportunities to increase registrations, including community engagement activities and events. The team are reviewing the management of caseloads to address the issue with programme delivery and work is ongoing to develop a revised service offer now that future funding has been secured to continue employability programmes.
- 23 Despite fewer referrals and registrations, 105 clients progressed into employment and education/training this quarter, an increase of 13% (12) compared to quarter four

¹² Yield: Proportion of potential income achieved

¹³ Data collated using the industry's independent STEAM (Scarborough Tourism Economic Activity Monitor) economic impact model Page 155

which places us on track to achieve the annual target of 235. Of the 105 progressions, 96 clients progressed into employment and nine into education or training.

Theatres: Gala, Bishop Auckland Town Hall and Empire

- 24 Average occupancy rate across all theatre performances during quarter one was 63%, which is 2pp below profiled target (65%). However, this is on par with the same period last year. Although professional shows saw high attendance figures; overall numbers were lower due to frequent hiring out of the venues to amateur companies, colleges and dance schools, with companies taking a lead on marketing. Average yield¹⁴ across theatre performance is 58%, which is 2pp below target but on par with the same period last year. Again, this is largely due to the frequency of the venues being hired out, although venues are guaranteed a hire fee regardless of sales.

Managing Money Better Advice

- 25 During quarter one, 70 households received energy advice from Managing Money Better (MMB) which is on par with quarter four, but 119 lower than the same period last year. Fewer people are seeking advice compared to last year due to the improving fuel cap limit and decreasing bills. As a result of the advice residents saved over £8,000 (an average of £115 per household), a reduction on last quarter because switching options are limited within the current market.
- 26 We have recently carried out a social media campaign to promote the service but have not seen any increase in referrals to date. Mailshots to GP surgery areas planned which have previously been successful in increasing referrals and we are also exploring the option of drop in sessions in community buildings to assist people who may not be IT literate.

2.0 Our Environment

2.1 Council Activity: Areas which require attention

Park and Ride

- 27 Passenger journeys on the Park and Ride Service remain significantly lower than pre-COVID-19. There are a number of factors influencing this, firstly commuters are predominately the main users of the service and therefore the changes in working behaviours following the pandemic such as hybrid working has contributed to the reduction. Additionally, from April 2021 we introduced free parking after 2pm across County Durham for both on street and off street parking, as a stimulus to support

economic recovery, which impacted on patronage on the Park and Ride. We have removed free after 2pm on street in Durham City but as yet this has not been removed from our off street car parks in the city. This will be considered by Cabinet in the Autumn, alongside the introduction of a Sunday Park and Ride Service.

- 28 To improve patronage of customers using the Park and Ride, we introduced a new bus contract in October 2022 with a new fleet of larger, more appealing buses for customers. We have also provided a number of facilities at our main site (Belmont) to make this more attractive to a wider audience such as a free coach park and coach toilet drop to encourage visitors to the city, free use of the service for coach drivers, motorhome overnight parking and upgraded Electric Vehicle Charging bays.
- 29 A scheme is also being progressed to extend the number of parking bays at Sniperley, which will provide more parking availability.
- 30 We also continue to support events within the city such as University Open Days, Miners Gala, Durham City Run and Lumiere (to be held later this year) by providing additional services as well as staff at the sites to improve the customer experience.
- 31 A customer satisfaction survey will be undertaken later this year, to develop a better understanding of our customer requirements, needs and usage to inform service improvements.
- 32 We are also implementing more robust recording practices. This will enable us to take a more accurate and analytical approach to monitoring the use of the Park and Ride Service to inform decision making.

3.0 Our People: National, Regional & Local Picture

3.1 Council Activity: Areas which require attention

Homelessness Prevention

- 33 The proportion of households prevented from homelessness and helped to remain in their current home has decreased this quarter by -4pp, with only 0.2% assisted (1 household). This is due to options for negotiation/ mediation with landlords or friends and family being limited. We are appointing additional staff to assist with homelessness prevention work and increase positive outcomes. They will visit homes to sustain the stay of family members where possible.
- 34 Additionally, the proportion of households where homelessness was prevented and the household helped to move to alternative accommodation also decreased this quarter by 11pp, with only 8% (37) households securing alternative accommodation. Move-on options are limited due to high demand, rising private sector rents and frozen Local Housing Authority (LHA) rates resulting in less affordable homes

available to move on than in previous years. We are carrying out a review to improve access into the private rented and social housing sectors, including a review of the local authority letting policy.

- 35 The time taken to achieve a positive preventative outcome for households has resulted in an increase in cases that would ordinarily be prevented within 56 days moving to relief stage (ie becoming homeless), and an increase in cases where there has been an acceptance of the main homeless duty (where relief duty has ended and the client is not intentionally homeless and in priority need). 28% (208 households) were resolved at the relief stage of homelessness, a 1pp increase, compared to quarter four. There were 18% (136) of household where there was an acceptance of the main homeless duty, compared to 12% (83) in quarter four. The main 'priority need' reason for acceptances was 46% (63) due to children, and 30% (41) were vulnerable due to domestic abuse, which are both higher than quarter four.

Disabled Facilities Grants

- 36 During quarter one, 68% of potential clients were contacted within three weeks of their initial referral for a Disabled Facilities Grant, which is 22pp below target. Due to staffing shortages, it has been necessary to put some cases on hold. New processes are being implemented to deal with the situation and recruitment underway to fill vacant posts. This is a new measure, and we are developing robust mechanisms for future monitoring.

4.0 Our Communities: National, Regional & Local Picture

- 37 Across County Durham there are approximately of 250,000 dwellings¹⁵. The majority is owner-occupied (63%), 20% are social rented and 17% private rented. Median house prices in County Durham (£123,000, Apr 21 – Mar 22) are consistently lower than average prices for the North East (£145,000, Apr 21 – Mar 22), which are well below those for England as a whole (£270,000, Apr 21 – Mar 22). Overall, average house prices have increased from £47,500 in 2000 to £123,000 in 2022, an increase of 159%. Though there is a significant variation in house prices across the County.
- 38 The Housing Act 2004 (amended 2015) gives local authorities the powers to introduce selective licensing of privately rented homes in order to tackle problems in their areas, including those that result from low housing demand and/or significant anti-social behaviour.
- 39 County Durham is largely a rural area with around 57% of its area classified as rural in nature and a further 32% classified as rural town and fringe¹⁶. 7.2% (around 37,500 people) of the county's total population live in 'rural' areas, giving a population density of 0.3 people per hectare. 36.7% of the resident

¹⁵ [Durham Insight - Housing](#)

¹⁶ [Durham Urban classification for Lower Super Output Areas \(LSOAs\)](#)

population live in 'Rural Town & Fringe' area, giving a population density of 2.7%.¹⁷ Access to opportunities is a continuing problem across our rural county and we need to ensure that more people benefit from growth opportunities in the county and region. We need to continue to diversify the economy and ensure people in all communities have access to learning, work, and enterprise opportunities.

4.1 Council Activity: Going Well

Housing Delivery

- 40 The County Durham Plan polices support the delivery of housing to meet identified need and ensure the right type of housing.
- 41 Net completions figure reported in quarter four (202) has been readjusted to 503 to reflect a number of sites that had completed during the quarter but had not yet been recorded. This brings the actual year-end total for homes completed for 2022/23 to 1,551 which is 19% (243) above annual target of 1,308.
- 42 For the first quarter of this financial year, there were 322 homes completed, which is slightly below profiled target of 327 (-1.6%, -5 completions). However, a number of large schemes have recently commenced on site, with completions expected later in the year.

2022/23 Affordable housing

- 43 There have been 282 affordable housing units completed this year, 238 via Homes England grant and 44 units secured by Section 106 Agreement. This figure is much lower than last year overall, however the units secured by Section 106 Agreements was higher by 13 units, Home England Grants were lower by 267 units this reporting period. Whilst based on identified need, it is extremely challenging to achieve the target of 836 per annum while balancing the viability of housing schemes. The County Durham Plan provides a policy mechanism to secure affordable housing on all major new housing developments. The proportion required is based on viability testing and varies from 25% in highest value areas to a minimum of 10% in lower value areas, so we are securing the maximum affordable housing without compromising site viability. We also work with developers where they are securing Homes England grants to deliver affordable housing and registered providers to deliver affordable schemes. We have also recently commenced the council house delivery programme, which seeks to deliver 500 council homes by 2026.

Chapter Homes

- 44 A total of five sales were completed this quarter, in line with our projections despite rising interest rates. This is due to our provision of well designed homes and a focus on ensuring advertising is fully maximised.

Empty homes

- 45 64 empty homes have been brought back into use as a result of local authority intervention, above target of 50 and 33 more than quarter four. Through our proactive approach 53 homes were brought back into use via negotiations, three via empty property interest free loans, seven by inspections through the Rent Deposit Guarantee Scheme inspections and one by intervention from the Local Lettings Agency.

Selective Licensing Scheme

- 46 The scheme was launched in April 2022 and to date, 9,316 (34%) of the 29,000 (approx) eligible private sector properties are now licenced or have had legal proceedings instigated. 40 temporary exemption notices are in place (live) and 250 family exemptions exist. Two prosecution files are being processed, with 50 civil penalties being pursued and 9 PACE¹⁸ interviews scheduled but not yet carried out.
- 47 To ensure landlords are participating in the scheme where required we have undertaken investigatory work including visits, land registry checks and council tax checks. 1,000 letters have been sent to landlords where we believe the property is privately rented and has resulted in an influx of applications. Enforcement proceedings will be instigated if no response is received, and the exercise revisited as and when necessary. Work is also underway to compare new census data against council modelling from 2020, and areas of low compliance will be targeted by the enforcement team.

ASB in Selective Licensing Areas

- 48 The rate of anti-social behaviour incidents (per 10,000 population) within selective licensing designated areas was 213 for the period January to March 2023. This is 5% (11) within target of 224 incidents, but 25% (43 incidents) higher than last reporting period (October to December 2022). The countywide rate also increased for the period January to March by 14% to 128.46. During this time, both the county and selective licensing areas were affected by an increase in warden investigated incidents and fly-tipping reports (including those cleared by Clean and Green). This is due to an increase in self-referrals from customers following promotional work by relevant teams. Five new wardens were also employed countywide which resulted in greater recording of incidents. Police reported incidents had fallen in the previous quarter due to reclassification of some ASB incidents, and fell again in January to March, which shows signs of improvement. DCC ASB and Noise Teams remain ed relatively steady.

Durham Rental Standard Scheme (DRS)

- 49 To improve standards within the private rented sector outside of the Selective Licensing areas, in July 2023 we launched the DRS. This voluntary accreditation scheme was developed in partnership with the National Residential Landlords Association (NRLA) and recognises and promotes professional standards in the private rented sector.

4.2 Council Activity: Areas which require attention

Public Transport Patronage

- 50 Bus patronage remains lower than pre-COVID levels. Patronage is not likely to return to pre-COVID levels in the medium term. However, we continue to work in partnership at a regional level with bus operators and other local authorities to implement the North East Bus Service Improvement Plan (BSIP) to encourage patronage growth. In July, we launched the 'first fares initiative', introducing a £1 single bus fare for all under 22s on any bus service in the region. Other initiatives are to be developed including further new ticketing products, bus service improvements, bus priority measures to improve bus punctuality and journey times and updating bus stops and stations that have safety or accessibility issues.

Highways and Footways Maintenance

- 51 During quarter one, operational resourcing issues, parked cars hindering completion of works, conflicts with existing traffic management on the network and lead in times associated with permits to work caused the proportion of recorded Category 2.2 highway defects¹⁹ on the footway network were repaired within 3 months (88%) to drop below target (90%). However, this is an improvement on the previous two quarters (79% and 81% respectively). The in-house operational teams have been supported by our framework contractors and figures for July have all met targets which will hopefully continue going forward.
- 52 The target for Category 1 (90% within 24 hours) and Category 2.1 highway defects (90% within 14 days) has been achieved or been above target each quarter since April 2021. Highway defects are categorised on a risk basis and where there is a high number of defects over all categories, resources must be targeted at those safety defects likely to pose the greatest risk of harm. Category 2.2 highway defects pose the lowest level of risk to the public due to their hierarchy within the network based on footfall and location.

¹⁹Highway defects include pot holes, missing or damaged ironwork, highway subsidence / slippage, damage to safety fences or barriers, excessive standing water, or other damage. Cat.2.2 defects are not an immediate or imminent hazard, or risk of short-term structural deterioration. Due to non-urgent nature, required repairs are added to routine maintenance schedule to be carried out within 3 months.

Key to Symbols

| Performance against target and previous performance | | Performance against comparable groups | |
|---|----------------------|---------------------------------------|---|
| ✓ | meeting or exceeding | ✓ | Performance is better than national or north east |
| ○ | within 2% | × | Performance is worse than national or north east |
| × | more than 2% behind | S | Performance is the same as national or north east |

Types of indicators

There are two types of performance indicators throughout the report:

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

National Benchmarking (N)

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

North East Benchmarking (NE)

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

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

Our Economy

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|--------------|--------------|---------|
| | | Period target | 12 months earlier | N | NE | |
| Increase the level of GVA per filled job to close the gap with the national average by 2035 | £46,245 (2020) | Tracker - | £46,036 ✓ | £58,995 x | £48,486 x | No |
| Increase the employment rate for 16 - 64 year olds to close the gap with the national average by 2035 <i>Confidence intervals +/-3.2pp</i> | 72.2% (Jan-Dec 22) | Tracker - | 71.1% ✓ | 75.8% x | 70.5% S | No |
| Increase the disability employment rate to close the gap between the employment rates for residents with a disability and those who are not disabled <i>Confidence intervals +/-6.9pp</i> | 41.9% (Jan-Dec 22) | Tracker - | 48.5% ✓ | 57.3% x | 46.5% S | No |
| FTE jobs created or safeguarded through regeneration schemes (cumulative) | 83 (Apr-Jun 23) | Tracker - | 36 ✓ | | | Yes |
| No. of registrations to employability programmes (cumulative) | 173 (Apr-Jun 23) | Tracker - | 210 x | | | Yes |
| No. of participants on employability programmes progressed into employment / education or training (cumulative) | 105 (Apr-Jun 23) | Tracker - | 98 ✓ | | | Yes |
| Increase the proportion of residents with higher level skills to close the gap with the national average by 2035 <i>Confidence intervals +/-5pp</i> | 32.4% (2021) | Tracker - | 31.6% ✓ | 34.5% S | 43.2% x | No |
| Grow the number of private sector employments per 10,000 head of population within County Durham to close the gap with the national average by 2035 | 2,877 (2021) | Tracker - | 2,651 ✓ | 4,044 x | 3,284 x | No |
| Grow the number of private sector business per 10,000 head of population within County Durham to close the gap with the national average by 2035 | 274 (2022) | Tracker - | 271 ✓ | 424 x | 272 S | No |
| No. of jobs created or safeguarded as a result of Business Durham activity | 350 (Apr-Jun 23) | 375 x | 912 x | | | Yes |
| No. of businesses supported by Business Durham (engagements) | 105 (Apr-Jun 23) | 250 x | 263 x | | | Yes |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| % of Business Durham floor space that is occupied | 89.6% (Apr-Jun 23) | 95% x | 97% x | | | Yes |
| No. of new businesses supported by CED Team | 63 (Apr-Jun 23) | Tracker - | 61 ✓ | | | Yes |
| No. of business supported through regeneration projects (cumulative) | 18 (Apr-Jun 23) | Tracker - | 9 ✓ | | | Yes |
| No. of inward investments secured | 3 (Apr-Jun 23) | 1 ✓ | 2 ✓ | | | Yes |
| Amount of investments secured for companies | £384,000 (Apr-Jun 23) | £1,250,000 x | £1,614,513 x | | | Yes |
| Increase employment land approved and delivered by 300 hectares (Ha) by 2035 | 13.32Ha (2022/23) | 28.46Ha x | 5.51Ha ✓ | | | Yes |
| Increase the number of organisations involved in the Better Health at Work Award | 105 (Jun 23) | Tracker - | 87 ✓ | | | Yes |
| Increase the number of visitors to the County to pre-COVID levels by 2035 | 17.91m (2022) | 17.085m ✓ | 15.77m ✓ | | | Yes |
| Amount (£ million) generated by the visitor economy | £1.04bn (2022) | £750.5m ✓ | £826.6m ✓ | | | Yes |
| No. jobs supported by the visitor economy | 11,724 (2022) | 10,191 ✓ | 10,063 ✓ | | | Yes |
| Increase the proportion of visitor attractions which are served by public transport (against 2019 baseline) | 67% (Dec 2022) | Tracker - | new PI | | | No |
| No of tourism businesses actively engaged with Visit County Durham | 230 (2022) | Tracker - | 236 x | | | No |
| | 28,000 | Tracker | 30,000 | | | |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Number of people attending CS&T ran and commissioned cultural events | (Apr-Jun 23) | - | x | | | Yes |
| No. of people attending council owned cultural venues (Killhope & town halls) | 40,301 (Apr-Jun 23) | Tracker - | | | | Yes |
| Average % occupancy of cinema screenings during the quarter (Gala, Empire & BATH) | 23% (Apr-Jun 23) | 20% ✓ | 22% ✓ | | | Yes |
| Average % yield of cinema screenings during the quarter (BATH, Gala and Empire) | 22% (Apr-Jun 23) | 20% ✓ | 22% ✓ | | | Yes |
| Average % occupancy of theatre performances during the quarter (Gala, Empire & BATH) | 63% (Apr-Jun 23) | 65% x | 63% ✓ | | | Yes |
| Average % yield of theatre performances during the quarter (BATH, Gala and Empire) | 58% (Apr-Jun 23) | 60% x | 58% ✓ | | | Yes |
| Number of active borrowers (libraries) | 44,160 (Apr-Jun 23) | 43,585 ✓ | 38,233 ✓ | | | Yes |
| Number of digital borrowers (libraries) | 3,852 (Apr-Jun 23) | 3,825 ✓ | 3,212 ✓ | | | Yes |
| Increase the % of 16-17-year-olds in an apprenticeship | 7.1% (Mar 2023) | Tracker - | 5.5% ✓ | | | Yes |
| Number of council owned/managed heritage assets classed as 'at risk' | 3 (2022) | Tracker - | 3 ○ | | | No |
| Reduce the number of heritage assets 'at risk' that are categorised as 'Priority A' and/or in 'very bad condition' | 6 (2022) | Tracker - | 7 ✓ | | | No |
| No. of households receiving energy advice from Managing Money Better (MMB) Initiative | 70 (Apr-Jun 23) | Tracker - | 189 x | | | Yes |
| | £115 | Tracker | £177.41 | | | |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|----------------------|----------------------|---------|
| | | Period target | 12 months earlier | N | NE | |
| £s saved per household as a result of energy efficiency advice provided by Managing Money Better (MMB) Initiative | (Apr-Jun 23) | - | x | | | Yes |
| % of major planning applications determined within 13 weeks (or extension agreed through Planning Performance Agreement) | 91.2% (Apr-Jun 23) | 90% ✓ | 93.3% x | 86% (Sep 22) ✓ | 81% (Sep 22) ✓ | Yes |

Our Environment

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|----------------------------------|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Park and Ride passenger journeys | 111,366 (Apr-Jun 23) | Target (tbc) | 102,446 ✓ | | | Yes |

Our People

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|----------|---------|---------|
| | | Period target | 12 months earlier | N | NE | |
| Ensure all new housing developments deliver at least 66% of their total units to meet accessible and adaptable standards (building Regulations requirement M4(2)) | new PI | new PI | new PI | | | No |
| Ensure all new housing developments deliver at least 10% of their total units that are suitable for older persons | new PI | new PI | new PI | | | No |
| % of households prevented from homelessness and helped to stay in their home | 0.2% (Apr-Jun 23) | Tracker - | 2% x | 17% x | 9% x | Yes |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|----------|----------|---------|
| | | Period target | 12 months earlier | N | NE | |
| % of households prevented from homelessness and helped to move to alternative accommodation | 8% (Apr-Jun 23) | Tracker - | 22% x | 36% x | 43% x | Yes |
| % of households where homelessness has been relieved, and the client moved into alternative accommodation | 28% (Apr-Jun 23) | Tracker - | 34% x | 37% x | 49% x | Yes |
| % of households where there has been an acceptance of the main homeless duty | 18% (Apr-Jun 23) | Tracker - | 9% x | 29% ✓ | 9% x | Yes |
| % of successful move-ons from Local Lettings Agency (LLA) accommodation at the end of their licence agreement | new PI | Tracker - | new PI | | | No |

Our Communities

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|--|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Reduce the average vacancy rate of our town centres to below national average by 2035 | new PI | new PI | new PI | | | No |
| Public satisfaction with ease of access <i>(confidence intervals +/-4pp)</i> | 73% (2022) | Tracker - | 77% ✓ | | | No |
| Maintain levels of satisfaction with bus operators at a minimum of 92% <i>(confidence intervals +/-4pp)</i> | 92% (2019) | 92% ✓ | ✓ | | | No |
| Increase the % of households (within a 5 mile or 15 mile radius) which can access key service locations using public transport | new PI | new PI | new PI | | | No |
| Increase the % of County Durham residents who can access employment sites by public transport | new PI | new PI | new PI | | | No |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|---|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| % of timetabled bus services that are on time at scheduled timing points - service no more than 5 min late or 1 min early | new PI | new PI | new PI | | | No |
| Local passenger journeys on public transport | 4,715,602 (Jan-Mar 23) | Tracker - | 4,340,114 ✓ | | | Yes |
| % of A roads where maintenance is recommended | 3.7% (2022) | Tracker - | 3.0% ✓ | | | No |
| % of B roads where maintenance is recommended | 3.3% (2022) | Tracker - | 3.1% ✓ | | | No |
| % of C roads where maintenance is recommended | 3.5% (2022) | Tracker - | 2.3% ✓ | | | No |
| % of unclassified roads where maintenance is recommended | 25.0% (2022) | Tracker - | 22.8% P | | | No |
| Percentage of 'footways' structurally unsound | 22.5% (2020) | Tracker - | 20.9% O | | | No |
| Bridge Stock Condition – Principal Roads | 82.0% (2020) | Tracker - | 81.1% ✓ | | | No |
| Bridge Stock Condition – Non-Principal Road | 81.0 (2020) | Tracker - | 80.1 O | | | No |
| % of recorded Category 1 highway defects repaired within 24 hours | 93% (Apr-Jun 23) | 90% ✓ | 96% O | | | Yes |
| % of recorded Category 2.1 highway defects repaired within 14 days | 95% (Apr-Jun 23) | 90% ✓ | 97% x | | | Yes |
| % of recorded Category 2.2 highway defects repaired within 3 months | 88% (Apr-Jun 23) | 90% x | 95% x | | | Yes |

| Performance Indicator | Latest data (period covered) | Performance compared to: | | | | Updated |
|---|---------------------------------|--------------------------|-------------------|----------|----|---------|
| | | Period target | 12 months earlier | N | NE | |
| Maintain a downward trend in the amount of Highways Maintenance Backlog | £171.2m (2020) | Tracker - | £172.6m ✓ | | | No |
| Maintain levels of public satisfaction with highways maintenance above the national average. <i>(confidence intervals +/-4pp)</i> | 47% (2022) | Tracker - | 50% ✓ | 46% ✓ | | No |
| Square metres of footway maintained and repaired over and above the core programme | new PI | new PI | new PI | | | No |
| Aim to increase net delivery of affordable homes to contribute to meeting identified need of 12,540 by 2035 | 282 (2022/23) | 836 x | 536 x | | | Yes |
| No. of Chapter Homes properties sold | 5 (Apr-Jun 23) | 5 ✓ | 3 x | | | Yes |
| Increase net delivery of new housing each year by 1,308 houses | 322 (Apr-Jun 23) | 327 ○ | 421 x | | | Yes |
| Bring 200 empty homes back into use per year as a result of local authority intervention | 64 (Apr-Jun 23) | 50 ✓ | 55 ✓ | | | Yes |
| Achieve 100% of PRS properties covered by Selective Licence Scheme that are licensed, or legal proceedings instigated by 2027 | 34% (Apr-Jun 23) | Tracker - | 8% ✓ | | | Yes |
| Reduce ASB rates (per 10,000 population) within the Selective Licensing Scheme areas by 10% (against the 2021 baseline) | 212.97 (Jan-Mar 23) | 224.28 ✓ | 261 ✓ | | | Yes |

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Meeting: County Durham Economic Partnership Board

Date & Time: 14th June 2023 at 10am

Venue: Conference Room 4B County Hall, Durham/hybrid via Teams



Better for everyone

| Present: | Name | Organisation/Pillar Rep |
|--------------------------------------|-------------------------------|---|
| | Glyn Llewellyn (GL) | Chair |
| | Ailsa Anderson (AA) | Engineering & Manufacturing Network |
| | Alan Smith (AS) | Believe Housing (lead for Inclusive Growth) |
| | Andy Kerr (AK) | Durham County Council |
| | Duncan Peake (DP) | Raby Estates |
| | Alison Clarke (AC) | Culture Sport & Tourism |
| | Sue Parkinson (SP) | CDEP Vice Chair |
| | Claire Williams (CW) | Funding & Programmes DCC |
| | Richard Baker (RB) | Durham University (lead for Innovation) |
| | Glenn Martin (GM) | DCC |
| | Dinah Jackson (DJ) | Rural Design Centre |
| | Angela Brown (ABro) (Minutes) | Durham County Council |
| | | |
| | | |
| Also, in attendance via zoom: | | |
| | Andy Broadbent (AB) | New College Durham (lead for People) |
| | Michelle Cooper (MC) | County Durham Community Foundation (VCS Voice) |
| | Kate Burrows (KB) | Durham Community Action (VCS Voice) |
| | Sarah Slaven (SS) | Business Durham (lead for Business Competitiveness) |
| | Alison Gittins (AG) | Durham Business Group |
| | | |
| Apologies: | | |

| | | |
|--|----------------------|--|
| | Amy Harhoff | Durham County Council |
| | Andy Bailey | Durham County Council |
| | Reshma Begum | Federation of Small Business |
| | Cllr Elizabeth Scott | Durham County Council |
| | Paul Marsden | Head of the Association of Secondary Schools |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
|----------|--|---|-----------------|-----------|
| 1. | Welcome to new members - Chair | <p>GL welcomed everyone to the meeting, and initiated round table/screen introductions</p> <p>He gave a special welcome to new members of the Board and mentioned that the next two years will be quite a challenging time in relation to growth in the economy. He referenced that this would require looking at new ways of doing things; that is the purpose of the Inclusive Economic Strategy (IES) and we have plans in development in the shape of the IES Delivery Plan. However, there is a lot to do so good communication will be essential; in particular businesses need to understand what we are aiming to achieve. He finished by saying that he expect that all board members will take on responsibility to achieve the required results.</p> <p>GL thanked Bill Fullen who had retired and Tim Hammond who had stepped down from the Board.</p> <p>Action:</p> <ul style="list-style-type: none"> • GL to write to Bill Fullen and Tim Hammond to thank them for work over years as Board members <p>ABro listed the apologies.</p> | GL | |
| 2. | Minutes of the meetings: 8th February 2023 | The Minutes from the meetings of 8th February 2023 were agreed as a true record of the meeting | | |
| 3. | Matters Arising | There were no matters arising. | | |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
|----------|---|---|-----------------|-----------|
| 4. | Inclusive Economic Strategy - presentation | <p>AK gave a brief introduction and discussed the presentation.</p> <p>The Council approved the IES in December, once it had been approved by the CDEP Board. The CDEP has been integral in shaping the Strategy and will be held to account when going into the delivery phase, which will be used to define the economy of County Durham.</p> <p>He discussed the Delivery Framework – The 5 “P’s”</p> <ul style="list-style-type: none"> • People • Productivity • Places • Promotion • Planet <p>AK advised that he had brought this to the Board today to present the emerging actions of the delivery plan and gain their endorsement or otherwise on the direction it was taking. He reminded the Board that, since February we have started to form working groups, with each working group looking at what will be in the delivery plan. He then handed over to each lead to give a brief overview of progress to date.</p> <p><i>SS updated on Productivity</i></p> <p>There have been two full meetings of the productivity workstream, with members having taken actions away to work on outside those meetings. Further meetings are planned - certainly until end August and possibly beyond as we develop that work. Whilst the delivery plan will capture existing activity, it is more important that it focusses on new partnership activity specifically designed to deliver the strategy in its early days. One of such key things in relation to the productivity strand is that we are just embarking on the new programmes of delivery using the UKSPF that reacts to the vision of the IES, providing excellent support for businesses and a growth package which has just been approved and that will be providing support to businesses to help them grow. Crucially, this programme draws on a number of partners working together.</p> | | |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
|----------|---------|---|-----------------|-----------|
| | | <p>A similar approach is being taken to supporting business start up using UKSPF funding. We have been given piece of work to bring all enterprise and business support providers in the County together; this is working well, and we are establishing a new partnership delivery model to meet this ambition of the IES. The productivity workstream is also looking at how to encourage good working practices amongst Durham businesses, and we intend to establish a subgroup to explore further the opportunities and issues and how we take that forward.</p> <p>Finally, the workstream had good discussion to identify the opportunity economic sectors for the County and are looking at a new approach to targeting inward investment promotion.</p> <p>Questions/Comments RB mentioned one of the projects of the Productivity Group that Durham University is leading on is the In-Tune Programme which is involves all the Universities in the north east working together to on spin out and support, and will sit under this framework.</p> <p>GL felt he would like to explore whether the University could support the partnership in measuring the impact of the IES and RB mentioned that the University are refreshing their strategy so could look a logic model for doing this. DJ asked if she could work with RB on this</p> <p>KB asked if we could make sure that Start Up is included as we are looking at social enterprise as part of delivery. SS advised that NEEAL and Business Durham, who are leading on this work, will speak to KB to explore this further.</p> <p>DP endorsed the importance of partners being accountable for the delivery and success of the IES.</p> <p><i>AB – People</i> The Group have met twice in April and May. He referenced the change in Government guidance on the use of UKSPF, meaning that it is now available to</p> | | |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
|----------|---------|--|-----------------|-----------|
| | | <p>support skills activity this year. The Progression and Learning Team at DCC have been proposed to be responsible for leading the development, management and delivery of the activity working with partners and sub-contractors. The activities and workstreams have been informed by stakeholder events. There has been an outline proposal received from the Progression and Learning team, and a further level of detail will be presented on activity, timescales and expected deliverables, which will be considered by CDEP's Technical Funding Group, after which delivery can commence.</p> <p>The Workstream is also considering a comprehensive digital inclusion programme, consideration is being given to how to unlock the funding available for apprenticeships, how SME's can take on apprentices and help deliver a new employment support offer which provides key workers to support vulnerable groups, those excluded from the Labour Market and those in insecure and low paid employment</p> <p><i>Questions/Comments</i> AK mentioned that one of the key things in the IES is being really clear about where the County's emerging sectors are and where good quality jobs will be so we can align skills and education of young people. In response to a direct question, it was confirmed that this would include skills for the visitor economy.</p> <p>AS advised that Housing Providers all have active employment teams and appropriate links need to be made with them.</p> <p>SS mentioned she had received information from Jim Cokill, Chair of Environment and Climate Change Partnership, relating to the requirement for talent/skills for biodiversity which had been fed into the people group</p> <p>The importance of having a comprehensive Vision for Volunteering clearly embedded in this work was emphasised.</p> <p>.</p> | | |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
|----------|---------|--|-----------------|-----------|
| | | <p>AK – Place</p> <p>Reference was made to the fact that this is an area where there are already a significant number of programmes available to invest in places in County Durham, such as the £35m Towns and Villages Programme to support our businesses, develop community resilience and enhance the environment. He referenced the roll out of Place Labs and that plans were underway to develop Phase 3 of NETPark which will create jobs, including in supply chain. Finally, it was advised that an Investment Plan was in process of being developed for the County.</p> <p><i>Questions/Comments</i></p> <p>MC pointed to the increase in remote working which meant that people with appropriate skills may move from London and surrounding areas to places with a different quality of life, although they would not necessarily be the people filling the vacancies referenced.</p> <p>AK felt that it was obviously appropriate to acknowledge this, and that consideration would be needed to work out how best to harness this to the County's advantage. MC made it plain that actions needed to benefit everyone.</p> <p>SP concluded that this strategy was called Inclusive Economy Strategy for a reason, and reminded the Board that that is a point we need to bear in mind. Whilst inclusivity is sometimes taken as a proxy for supporting those furthest from the labour market, we should keep in mind that inclusivity means different groups of people in different situations.</p> <p>AC – Promotion</p> <p>AC discussed the Placelabs concept which had been piloted in the County and involved working through for people who wanted a creative hub, but doing so in such a way as local people self-define what they wanted for their area and what local people want to do. In terms of promotion, the 4 priorities are:</p> <ul style="list-style-type: none"> • Brand and Place Marketing • Inward Investment • Year-round visitor economy • Cultural and Creative infrastructure | | |

| Item No. | Subject | Discussion and Decision | Lead Officer(s) | Timescale |
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| | | <p>She advised that there had been two sessions with the group. The need for place brand and marketing came out strongly in the E-Conversation, and it was suggested that one of the things that held back progress was our ability to being able to talk confidently about place. She advised that there is a piece of work with Combined Authority to think about how the north east is portrayed and AC is working on that group to add expertise from County Durham to maximise the regional and county work, which has included both county and regional events and how best to promote regional attractiveness to an international market. This includes the need for a skills programme to develop the cultural and creative-sector workforce.</p> <p>RB – Innovation RB advised that Tim Hammond is leading the group which is looking at how innovation cross cuts the strategy and stressed the importance of innovation in achieving all of its aims.</p> <p><i>Questions/Comments</i></p> <p>DP felt that connections and cross cutting themes were important particularly around the green sector. He referenced what the University for example is doing around soil and the obvious links with the rural economy. He reminded the Board that those links could be missed if we don't have the right forum for making those connections, and pointed to the need to promote or enhance opportunities for making and reinforcing those connections, which is an important part of the Inclusive Economic Strategy.</p> <p>AA commented on apparent lack of activity to support STEM subjects, and reminded the Board that there is a widespread view that young people aren't aware of the future jobs market. She suggested that progress could be made by informing parents as they are one of the the biggest influencers of young people, and by encouraging more engagement between employers and the education system.</p> | | |

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| | | <p>GL replied to say that Paul Marsden who is the Chair of Association of Secondary School heads is on the Board although not here today, and he would have a vital role to play in this agenda.</p> <p>CW informed the Board that a sub group of the People working group has been formed to look at the development of an improved careers offer for County Durham.</p> <p>GM updated on Performance Management</p> <p>He set out the complexity of the picture relating to potential economic indicators and the need to be realistic about what could be measured which would relate to the ambitions of the IES. He pointed to the changing picture of data – citing new data from the Census, and the fact that some projections were rooted in lockdown which could skew the resulting picture.</p> <p>SP suggested that this is massive topic and the Board needed to dedicate more time to Performance Management</p> <p>Action:</p> <ul style="list-style-type: none"> • ABro will circulate the presentation • Productivity – DJ asked if she could work with RB on looking at model for measuring what University do • AC slide to be added into presentation – CW will send to AB | <p>ABro DJ CW</p> | |
| 5. | CDEP Communications - Chair | <p>GL referenced the paper he had circulated with the agenda entitled “CDEP Business Communications”. He advised that he had had some success in communicating information on the CDEP, and in particular on the IES, to individual businesses, and he proposed to maximise that by CDEP hosting a business conference. He sought</p> | | |

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| | | <p>the Board's view on the proposal and asked for representatives to support him with a working group to develop this. The Board endorsed this approach.</p> <p>Action:</p> <ul style="list-style-type: none"> • GL to develop a working group to look at setting up a business conference | GL | |
| 6. | UKSPF Technical Funding Group Update – Vice Chair | <p>SP informed the Board that the paper she circulated included government guidance for how UK Shared Prosperity Fund was to be delivered – it was allocated to accountable bodies (in this case DCC), but they were required to have a partnership to advise. To this end, a separate group (the CDEP Plus Board) had been set up which included all members of this Board as well as MPs for County Durham. CDEP+ had delegated responsibility for providing advice on strategic fit and value for money to the Technical Funding Group which is chaired by SP and an update on progress has been provided in the paper accompanying this agenda.</p> | | |
| 7. | Rural Issues (a) Community Research Network – Presentation | <p>DJ gave an update to the Board on Developing a Rural Durham Community Research Network, a report on which was circulated in advance of the meeting today</p> <p>There were questions as to how the CDEP Board might:</p> <ul style="list-style-type: none"> • Support the collaboration by focusing in on specific <u>aspects of future network focus</u>, pointing the team to place-based aspects that the CRN could focus on within the topics of health and wellbeing, young people, and future services. • Guide the collaboration on the network's potential to inform rural county Durham's <u>inclusive economic interests</u>. | | |

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| | | <ul style="list-style-type: none"> • Advise the collaboration on how we <u>position</u> the network so that knowledge produced by communities through new research activities can be used as a tool to inform future actions. • <u>Connect</u> the collaboration with organisations who could / should be part of the network. Who should we be talking to? • <u>Advocate</u> for the network and help the collaboration to <u>generate interest and support</u> through the sharing of information and key messaging. • <u>Guide</u> the collaboration, using the CDEP's experience, on the range of actions and support that are necessary to "redress the research power imbalance", including how we effectively support future community researchers. <p><i>Questions/Comments</i></p> <p>DP said he really enjoyed the presentation. He felt connectivity is one of the biggest challenges we face as a rural economy, and that the Board needs to be aware of the numerous hurdles and obstacles put in the way by BDUK. He advised that he has been trying to get broadband connections into Teesdale for 5 years, but has not been able to reach agreement with BDUK, so this is a real issue. He also pointed out that the planning system for small businesses in rural areas needed to be considered. He pointed to the substantial opportunities for the rural economy to contribute to the IES, not only contributing to decarbonisation but also creating sustainable ways for farming, and suggested that the Board needs to be aware of challenges around decarbonisation for many rural, off grid properties.</p> <p>AK felt there is real alignment with the Economic Strategy and place strand is right place to support this. As part of devolution, rural issues have their own strand which is being led by Northumberland Council, but Durham is of course represented on that, and he is feeding the emerging issues into the delivery. As part of the Devolution Deal there is a rural board to be formed, and it may be appropriate for that members of this Board to be represented, to ensure a strong voice for County Durham.</p> <p>KB advised that either she or DJ would be happy to speak individually to interested Board members.</p> | | |

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| | <p data-bbox="253 683 483 783">(b) Understanding Rural Durham</p> <p data-bbox="253 906 539 1046">(c) Unlocking Rural Opportunities Defra Policy Paper</p> | <p data-bbox="577 236 1771 304">AS felt that it would be important to be prepared for the conclusions of this work, and DJ agreed to follow up this conversation with AS</p> <p data-bbox="577 347 689 376">Action:</p> <ul data-bbox="622 387 1675 496" style="list-style-type: none"> <li data-bbox="622 387 1675 456">• If anyone would like to discuss community participating research, contact KB or DJ <li data-bbox="622 464 1648 496">• DJ to follow up conversation with AS on Research Development <p data-bbox="577 687 1301 716">A paper was circulated to the Board for information</p> <p data-bbox="577 906 1778 1161">GM mentioned that this was released in the last couple of days, and focuses on connectivity, homes, and energy in communities. It is a relatively short paper and contains a lot of information about current activity, but is relatively short on information about future plans. He referenced that the Government are pledging £7m for more rural solutions to broadband, but that there is very little dealing with deprivation in rural areas, including on transport, increasing affordable housing, and improving the electricity networks</p> | <p data-bbox="1832 384 1935 488">All DJ/AS</p> | |
| 8. | Any Other Business | GL thanked everyone for contributing to a very informative meeting | | |
| | Date and time of Next Meeting | To be confirmed | | |

