



Economy and Enterprise Overview and Scrutiny Committee

Date Thursday 27 February 2014
Time 9.30 am
Venue Committee Room 2, County Hall, Durham

Business

Part A

Items during which the Press and Public are welcome to attend. Members of the Public can ask questions with the Chairman's agreement.

1. Apologies for Absence
2. Substitute Members
3. Minutes of the meetings held 9 December 2013 and 27 January 2014 (Pages 1 - 24)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Media Relations
7. Affordable Homes Policy - Overview: (Pages 25 - 28)
Report of the Corporate Director of Regeneration and Economic Development – Housing Development and Delivery Manager, Regeneration and Economic Development.
8. Homelessness Strategy - Update: (Pages 29 - 62)
 - (i) Joint Report of the Assistant Chief Executive and Corporate Director of Regeneration and Economic Development.
 - (ii) Presentation by the Core Team Manager, Regeneration and Economic Development.

9. Members' Reference Group - Update: (Pages 63 - 66)
 - (i) Report of the Assistant Chief Executive.
 - (ii) Presentation by the Overview and Scrutiny Officer, Assistant Chief Executive's.
10. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Colette Longbottom
Head of Legal and Democratic Services

County Hall
Durham
19 February 2014

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

Councillor R Crute (Chairman)
Councillor A Batey (Vice-Chairman)

Councillors E Adam, J Armstrong, J Bell, J Clare, J Cordon, I Geldard, D Hall, C Kay, J Maitland, P McCourt, H Nicholson, R Ormerod, A Patterson, J Rowlandson, M Simpson, P Stradling, O Temple, A Willis and S Zair

Co-opted Members:

Mr T Batson, Mrs O Brown, Mr P Robson (JobCentre Plus) and Mr JB Walker

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 9 December 2013** at **9.30 am**

Present:

Councillor R Crute (Chairman)

Members of the Committee:

Councillors E Adam, J Armstrong, A Batey, J Clare, J Cordon, J Maitland, H Nicholson, J Rowlandson, M Simpson, P Stradling, O Temple and A Willis

Also Present:

Councillors A Patterson and E Tomlinson

1 Apologies for Absence

Apologies for absence were received from Councillors J Bell, D Hall, P McCourt, R Ormerod, S Zair and Mrs O Brown.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meetings held 21 October 2013 and 13 November 2013 were agreed as a correct record and were signed by the Chairman.

The Overview and Scrutiny Officer, Diane Close reminded the Committee that additional information requested by Members as regards Durham Key Options (DKO) and the Community Infrastructure Levy (CIL) had been circulated.

4 Declarations of Interest

Councillor J Maitland declared an interest in Item 11 as a Board Member of East Durham Homes.

5 Items from Co-opted Members or Interested Parties

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

6 Media Relations

The Overview and Scrutiny Officer referred Members to the recent prominent articles and news stories relating to the remit of the Economy and Enterprise Overview and Scrutiny Committee (for copy of slide see file of minutes) namely: East Durham Homes received praise from the Home Office; the Lumiere Festival attracting crowds of 175,000 people; further consultation events on the County Durham Plan (CDP); and the Leader of the Council, Councillor S Henig being chosen to lead the new Combined Authority.

Resolved:

That the presentation be noted.

7 Quarter 2, 2013/14 Revenue and Capital Outturn

The Chairman introduced the Principal Accountant, Resources, John Hughes who was in attendance on behalf of the Finance Manager, Resources, Azhar Rafiq to speak to Members in relation to the Quarter 2 Revenue and Capital Outturn 2013/14 (for copy see file of minutes).

The Principal Accountant reminded Members of the areas reported upon, the General Fund Revenue Account, the Housing Revenue Account (HRA) and the Capital Programme for the RED Service. Members noted the service was reporting a cash limit under spend of approximately £424,000 for 2013/14, based on the Quarter 2 forecast outturn, against a revised General Fund Revenue Budget of £43.507 million. Members noted the major predicted under spend fell within Planning and Assets, with the detailed explanations as set out within the report including an increased income due to a small number of major applications generating extra income such as the Hitachi site at Newton Aycliffe and the Dalton Park site. The Committee learned that there was continued overspend reported for Traffic, specifically related to parking services and enforcement activities, though it was anticipated that this would be partly resolved at the retendering stage as this was the final year of the current contract for the service.

The Committee noted that the HRA for 2013/14 had no major issues; with a forecasted balanced position after using a projected surplus of £931,000 towards the Capital Programme. Members noted that the projected surplus was less than reported in Quarter 1, however, there had been additional pressures in terms of void properties and the council tax implication of those properties, and an increase in Right to Buy sales, therefore a slight loss of rental income.

As regards the Capital Programme, the Principal Accountant explained that subsequent to revisions to take into account grant additions/reductions and re-profiling the budget now stood at approximately £104.578 million split between the General Fund (£48.996 million) and HRA (£55.582 million).

Members noted that the spend to the end of September 2013 had been approximately £31.080 million and the Committee was reminded that the spending profile for the Capital Programme was such that the majority of the spend was closer to the end of the financial year, and that some projects could be carried over multiple years.

The Chairman thanked the Principal Accountant and asked Members for their questions on the finance report.

Councillors asked questions in respect of: overspends for supported housing, traffic and Business Durham; the number of properties that made up the additional council tax charges from void properties; and the potential impact of Welfare Reform on HRA income.

Members were informed that the supported housing service was a 24 hours, 7 days a week, full-cover service and there was contingency within the budget as regards this. Councillors noted that the overspend within traffic was as set out in the report, and any additional cost as regards Lumiere and the Lindisfarne Gospel events was easily identifiable however, the additional income as generated by these events was more difficult to quantify. The Principal Accountant explained that costs as regards Business Durham had been removed from the Financial Management System and were held on the list in terms of follow up work. The Committee noted that number of properties in relation to voids and council tax costs could be obtained for the next financial monitoring report. The Principal Accountant explained that there had been some planning in respect of the impact of Welfare Reform, though it was noted that Universal Credit, paid directly to the individual unlike Housing Benefit that came directly to the Authority, had not yet come into effect.

Councillor J Armstrong noted agency costs as regards the supported housing service and queried whether there could be scope for retraining Council staff displaced from other services to cover this area.

Resolved:

That the report be noted.

8 Quarter 2, 2013/14 Performance Management Report

The Chairman thanked the Head of Strategy, Programmes and Performance, Regeneration and Economic Development, Andy Palmer who was in attendance to speak to Members in relation to the Quarter 2, 2013/14 Performance Management Report (for copy see file of minutes).

The Head of Strategy, Programmes and Performance reminded Members of the different types of indicators reported, Tracker indicators and Target indicators.

Councillors noted that some of the key achievements in Quarter 2 included: the number of apprentices at the Authority being ahead of target; the number of empty properties being brought back into use exceeding target; the number of homes being brought up to the decent homes standard by East Durham Homes being ahead of target and on track for the year end; and the number of private sector properties improved as a result of local authority interventions had also increased.

Members noted progress with Council Plan actions, such as: the delivery of Durham City projects including Freeman's Reach which had now broken ground; improved transport modelling; completion of the link road at Horden; entry into the design phase for the rail station at Horden; and ongoing consultations in respect of the CDP and the Housing Stock Transfer Project.

It was added that key performance issues going forward included: the number of affordable homes being delivered; and the number of major planning applications being determined within 13 weeks. It was added that Council Plan actions behind target included: the Regeneration Framework for Durham City being rescheduled from July 2013 to April 2014 in line with CDP; traffic management for Durham City now incorporated into the next Capital Programme; capital works relating to improving transport at Bishop Auckland rail station and at key employment sites; and physical improvements to Barnard Castle town centre.

Members noted the Tracker Indicators set out within the report including: a slight increase in the employment rate, with a continued slight decrease in the number of Job Seekers Allowance (JSA) claimants aged 18-24; and an increase of those accessing JSA for one year or more. It was added that there had been a rise in those re-housed via the Durham Key Options (DKO) scheme and there had been a slight rise in the number of statutory homeless applications.

The Chairman thanked the Head of Strategy, Programmes and Performance and asked Members for their questions on the report.

The Committee asked questions in relation to: a breakdown of employment figures in terms of part-time, full-time, temporary and zero-hour contracts; the increase in the number of people being rehoused via DKO and the increase in the number of void properties; identifying where jobs had been created as a result of apprenticeship schemes; the delay in the deadline for sustainable travel plans linked to the Hitachi development; the influence of "City Forums" on regeneration plans; whether employment rate figures included those Not in Employment, Education or Training (NEET); and why the indicator for number of tourism businesses actively engaged with by Visit County Durham (VCD) was set out as "not reported".

The Head of Strategy, Programmes and Performance noted that a lot of research at a national and regional level had been undertaken in respect of breaking down employment figures and it would be possible to bring a report to a future meeting of the Committee. It was explained that the Authority was looking at the issue of increases in rehousing and void properties and could be partially attributed to movement within the DKO system of tenants to properties with fewer bedrooms, as a result of the spare room subsidy policy of central Government.

Members learned that there were opportunities becoming available via the EU finding programme for 2014-2020, with specific funding in relation to the Youth Employment Initiative and further information could be provided to Members on where jobs have been created as a result of apprenticeships.

The Head of Strategy, Programmes and Performance noted that the date relating to sustainable travel plans had been revised following further in depth service planning discussions within the RED Service Grouping. It was noted that NEET figures were not included within the figure as reported, NEET figures were reported within the performance data that falls within the “Altogether Better for Children and Young People” and is reported at the Children and Young People’s Overview and Scrutiny Committee, though figures could be included for Members information in future reports. It was added that the “Not Reported” listed for the performance indicator relating to “tourism businesses being engaged with” was believed to be a timing issue and would be followed up with VCD.

Resolved:

That the report be noted.

9 Business Support and the Role of Business Durham

The Chairman thanked the Managing Director, Business Durham (BD), Dr Simon Goon who was in attendance to speak to Members in relation to Business Support and the Role of Business Durham (for copy see file of minutes).

The Managing Director, BD noted that report as set out within the agenda papers built upon previous reports to the Committee and noted that areas such as retail which was very dynamic, and tourism which was dealt with primarily by VCD, were not the main areas of focus for BD as it was felt a lot of effort could be expended for little visible result. Members noted that the focus of BD was on supporting private sector job creation in the areas that have the greatest benefit to the economy including sectors such: manufacturing; professional services; creative services; scientific and technical services; and production.

The Committee were informed that BD operated 3 teams that supported businesses those being:

- The Business Space Team that manages the Council’s business property, with an aim to eventually be able to fully fund the rest of the services being delivered by BD.
- The Innovation and Growth Team that oversees inward investment, strategic management, the innovation agenda and NETPark product. It was added that the “top 1%” of businesses employs 17% of all employees therefore a small change in their employment figures can have large impact.
- The Business Development Team that leads on enterprise activities for the County, working with Enterprise Agency partners in areas such as supporting Small and Medium sized Enterprises (SMEs) to expand. It was noted this was carried out in the usual East, North and South and West geographical areas of the County.

The Managing Director, BD noted that BD had 4 principle objectives: deliver financial sustainability; become more proactive in engaging with business and sector development activities; operate more effective and efficient networks within and out of the County; and establish a greater evidence base to inform strategy development and measure impact.

Councillors noted six principle areas of activity, those being:

- Encouraging a more entrepreneurial culture.
- Encouraging the growth and development of SMEs.
- Supporting larger companies.
- Attracting capital and inward investment to the County.
- Encouraging and supporting the development of innovative, technology based SMEs.
- Maximising the benefit of the County Council's stock of business property.

Members noted entrepreneurial activities included initiatives with schools, colleges and Durham University, and the Future Business Magnates (FBM) enterprise competition. It was also noted there had been support of the Peter Jones Enterprise Academy at East Durham College, and support on behalf of the County Durham Economic Partnership (CDEP) in respect of "Durham Creatives", workshops, coaching and mentoring which has resulted in 27 start-ups so far. The Committee learned that the project of support for NETPark, originally Project C, had been rebranded as NETPark Brainwave and in total, 40,000 people had been engaged, with activities including work with local school teachers regarding the science of the Lindisfarne Gospels and work with the firm Artichoke in respect of the science of light to help inspire young people.

The Managing Director, BD explained that during 2012/13 there had been: a total of 769 enquiries, with 130 being start-up enquiries passed on to Enterprise Agencies; 252 businesses being provided with assistance; and 275 businesses being engaged through specific events, projects and campaigns. Members noted that to date, the 2013/14 figures were a total of 429 enquiries; 54 start-up enquiries passed on to Enterprise Agencies; 112 businesses being provided with assistance and 139 businesses being engaged through specific events, projects and campaigns. The Committee noted that a number of business engagement groups had been established for the major industrial estates at Aycliffe, Peterlee and Consett and that a Social Value Taskforce had been established to help small businesses win more contract opportunities with this Taskforce to be chaired by Councillor N Foster. Members noted that the Social Value Taskforce included representatives from the Federation of Small Businesses (FSB), the North East Procurement Organisation (NEPO), Social Enterprise UK, Price Waterhouse Cooper and experts on social accounting.

Members were referred to a list of many large companies that had been supported by Business Durham which included: EBac, the only white goods manufacturer in the UK: Thorn where jobs were saved; and Polyphotonix a company working in connection with Organic Light Emitting Diodes (OLEDs).

The Managing Director, BD explained that there were challenges in respect of Regional Growth Fund (RGF) and there were several examples of successful bid to Round 3 of RGF including:

- Actem (UK) at Peterlee, a £5.3 million investment, £1.3 million from RGF, 40 new jobs.
- Caterpillar at Peterlee, a £11.3 million investment, £1.2 million from RGF, 25 new jobs, 175 safeguarded jobs.
- CAV Aerospace at Consett, a £8.3 million investment, £1.4 million from RGF, 78 new jobs, 105 safeguarded jobs.
- Ebac Group at Newton Aycliffe, a £7 million investment, £1 million from RGF, 100 new jobs.
- NSK Bearings Europe at Peterlee, a £23.5 million investment, £3.5 million from RGF, 40 new jobs.

It was added that there was support offered to those businesses trying to access the “Let’s Grow” a £30 million RGF programme and noted that for an investment of £24,000 by Durham County Council (DCC) in supporting bids, £6.5 million of grant was secured, in turn creating and safeguarding 667 jobs.

Councillors noted several capital investments including the Hitachi Rail Europe project and Compound Photonics, a high value manufacturing company that specialises in video and data projection. It was noted that these investments would lead to 200 jobs being created or safeguard, with the potential for another 50 jobs to be created.

The Committee noted that innovative technology based SMEs were encouraged with the NETPark Net membership model, NETPark Net Virtual Office and a rebooted NETPark Net Innovation Academy. It was explained that the latter seen as an example of best practice, showcased at the International Association of Science Park’s conference in Tallinn, Estonia in June 2012. It was added that in July 2013 the inaugural meeting of the NETPark Investment Panel was held, to help connect companies to financiers and to assist with investor readiness. Members noted that BD was approached by the Science and Technology Facilities Council (STFC) in order to organise an event showcasing the contracts available from the European Extremely Large Telescope which is being constructed in Chile for the European Southern Observatory.

The Managing Director, BD commented that in maximising the benefit of DCC business properties the Authority had taken a more aggressive position as regards rents and debts, and with several businesses moving from DCC premises to either larger premises elsewhere or downsizing operations and working from home. It was explained that a further phase of development of the Derwentside Business Centre had just been completed at Consett Business Park, on time and to budget. Councillors noted huge successes at NETPark in terms of occupancy, with levels at 83% currently with it expected to rise to over 90% with a major letting anticipated before Christmas 2013. Members noted that NETPark was projected to make a net contribution of £315,000 to BD by the end of March 2014.

The Chairman thanked the Managing Director, BD and asked Members for their questions on the report.

Councillors asked questions relating to: how inward investment was directed since the demise of the Regional Development Agency, One North East; how young people could be engaged with to highlight the opportunities in the engineering and manufacturing sectors; why a number of enquires to BD were listed as being from “unknown”; preferred supplier lists for DCC; the wide scope of the 6 principles as set out; information as regards the make-up of the SMEs within the County; financial sustainability for BD; and measures to demonstrate delivery and impact.

The Managing Director, BD explained that investment from outside of the UK was around 50% new investment, with 50% being linked to expanding businesses. It was noted that a small number of enquires came through directly to BD via the internet and a number were directed by the UK Trade and Investment (UKTI). It was noted that with the former Managing Director of BD had a coordinating role for the Combined Authority as Investment Gateway Manager for Invest North East England a further report would come forward in respect of this in March 2014. It was noted that most investment was indigenous, with overall 20-30% being foreign investment.

Councillors noted that there were working groups looking to securing European Funding that would allow a matching service between education and businesses, with there being a need to balance education needs and the needs of businesses in terms of A-Level, apprenticeships and other types of qualifications and training. The Managing Director, BD noted that several enquires that come in from larger companies can sometimes be anonymous as not to affect share prices, but as they are usually directed via UKTI the enquiries could be viewed as genuine.

The Committee were reminded that there were procurement frameworks in place for different levels of contract, with small, medium and large contracts where local companies can be asked for expressions of interest in the smaller cases up to full Official Journal of the European Community (OJEC) for large contracts. Councillors noted that companies were encouraged to access the NEPO procurement portal to be able to tender for contracts.

The Chairman thanked the Managing Director, BD and asked Members for their questions on the report.

Councillors asked questions in relation to the broad nature of the 6 principles; information relating to business sizes and employees in the County; the timescale for financial sustainability for BD; measures in place to evidence impact against objectives; and “developing a strategic footing” at Newton Aycliffe.

The Managing Director, BD explained that the 6 principles were inherited and noted moving forward there would be greater focus on sector strategies and “targeted diversity”. It was explained that that BD was working with the FSB and Enterprise Agencies as regards data, with the Office for National Statistics (ONS) data being in some cases 18 months old. Members noted that some initial information was that of the “Top 200” businesses in County Durham, only 2 had more than 1,000 employees, around 10 had between 500 - 1,000 employees and around 20 had between 250 - 500 employees. It was explained that the rest were SMEs or microbusinesses, representing the majority of the businesses.

The Managing Director, BD noted that it was hoped that the financial sustainability for BD would be bottomed out over the next 4-5 years and that the data sets demonstrating the impact of improvements, growth and EU funding would also be developed over the next few years. The Committee noted that the CDP set out the spatial elements as regards growth and it was added that BD worked with Private Sector Boards as regards making sure Agreements were in place.

Resolved:

That the report be noted.

10 North East Leadership Board - Secretary of State Statutory Consultation on Proposals

The Chairman thanked the Spatial Policy Team Leader, Regeneration and Economic Development, Maria Antoniou who was in attendance to give a presentation in relation to the North East Leadership Board, Proposals for a Combined Authority for the North East (for copy see file of minutes).

The Spatial Policy Team Leader reminded Members that she had attended the Committee previously to explain the proposals for a Combined Authority (CA) and it was noted that the consultation from the Secretary of State (SoS) for Local Communities and Local Government on proposals had included a few additional questions and requirements than initially indicated.

Members noted that the context for a CA was for 7 Local Authorities working together and collaborating, and it was reiterated that a Combined Authority was not a “Super Authority” or “regional government by the back door”. It was explained that a key question would be how the North East Local Enterprise Partnership (LEP) and the CA would work together on their shared agenda, building upon the robust evidence base gathered through the North East Independent Economic Review (NEIER). It was added that there would be also opportunities to work with the Tees Valley LEP on shared issues including access to finance and transport.

The Committee noted that the consultation document from the SoS was published 7 November 2013 seeking views on the proposed CA with the 7 Local Authorities and the Tyne and Wear Integrated Transport Authority being statutory consultees. It was explained that the consultation ran until 2 January 2014, meaning that timescales were tight in getting responses through the committees of the constituent Authorities in order to have a single Local Authority response. Councillors noted that the 7 Local Authorities’ relevant Executive Committees/Cabinets would look to approve a response during the week commencing 16 December 2013 and to have a single response that was agreed by the North East Leadership Board (NELB) of the CA by 20 December 2013.

Members learned that the SoS consultation asked specific questions on: local support for establishing the CA; if the CA would improve the provision of transport, economic development; regeneration and the economic conditions in the area; the impact of the CA on local communities; the constitutional arrangements and functions for the CA; and how the North East LEP and CA would work together.

The Committee noted the consultation undertaken by the NELB and Local Authority with local stakeholders including: County Durham Partnership Board; Visit County Durham Board; Business Durham Advisory Board; Area Action Partnership (AAP) Chairs; and the County Durham Association of Local Councils (CDALC). It was added that the Local Authorities had online surveys to feed into the process and a number of focus group meetings were being held in the DCC area in Durham City, Crook and Murton.

The Spatial Policy Team Leader explained that the Local Authority response would include governance arrangements, with a North East Partnership Framework and set out a clear scope for the CA centred on transport, skills, inward investment and strategic funding. Members noted that the response would provide evidence of local support from residents, businesses, partners and the voluntary sector and details as regards changes to the draft Order.

It was reiterated that the NEIER supported the case for a CA and that the transport footprint of the Tyne and Wear Integrated Transport Authority would be mirrored by that of the CA.

Councillors were reminded that the CA existed in shadow form, with the Leader of the Council, Councillor S Henig being Chairman of the shadow Leadership Board, and noted the consultation was still ongoing with the single response from the Local Authorities being submitted in December 2013. It was added that the consultation closed in January 2014; the Parliamentary debate commenced in February 2014; with the proposed establishment of a CA, alongside CAs for South Yorkshire, West Yorkshire and Merseyside on 1 April 2014.

The Chairman thanked the Spatial Policy Team Leader and asked Members for their questions on the report and presentation.

Councillors noted issues and asked questions in relation to: who would be providing the response regarding scrutiny arrangements for the CA; concern as regards public perception with the CA already operating in shadow form; who would be involved in the focus group meetings regarding the consultation; the geographical extent of the CA; and to what extent DCC could provide influence within the CA.

The Spatial Policy Team Leader explained that the focus group at Crook would comprise of the local Citizens' Panel and with AAP Coordinators liaising with public representatives. It was reiterated that the "local support" element had only been added at the last moment to the SoS consultation. The Principal Overview and Scrutiny Officer, Stephen Gwilym commented on the tight timescales in order to get an Overview and Scrutiny response to Cabinet and summarised members comments as: there was broad support by the members of the Committee for the principle of the Combined Authority; in relation to the consultation process it was felt that the consultation period was too short (a very tight timescale as it included the Christmas and New Year holiday periods); due to the tight timescale and timing of the consultation it was felt that this has resulted in a somewhat restricted engagement activity considering the proposed remit of the Combined Authority and in relation to governance arrangements, it was felt that to ensure openness and transparency in the decision making process, there was a need for robust and fit for purpose scrutiny arrangements. The Spatial Policy Team Leader noted that the Committee's comments could be shared with Cabinet.

Several Members noted that they felt it was important to have a strong County Durham voice within any CA and having Councillor S Henig as Chairman of the Leadership Board in shadow form was a positive step for the County. Members noted that many of the issues faced by Local Authorities in the region could be addressed better at that level, including economic development and growth.

Resolved:

- (i) That the information within the report and presentation be noted, with the comments from the Committee shared with Cabinet.
- (ii) That the Committee receive further updates on the development of the Combined Authority at future meetings of the Committee.

11 Housing Stock Transfer Project - Update

The Chairman thanked the Stock Transfer Project Manager, Marie Roe who was in attendance to give an update presentation in relation to the Housing Stock Transfer Project (for copy see file of minutes).

The Stock Transfer Project Manager noted that since the last update provided to the Committee in September there had been significant progress with DCC Cabinet having agreed on 30 October 2013 to: apply to the Homes and Communities Agency (HCA) to transfer homes; to establish a shadow Parent Board; and to maintain an alternative plan should transfer not be possible. It was explained that Portfolio Holders for Housing and Finance and the Corporate Director of Regeneration and Economic Development were delegated to develop the application to the HCA and that Members had been made aware of the pressing timescales as regards moving forward. It was explained that the application had been submitted on 3 December 2014, with an expected date of notification of consent to proceed to formal consultation being March 2014. The Stock Transfer Project Manager set out the timescales that would lead up to a transfer, with: formal consultation ending in a ballot in Summer 2014; a temporary Managing Director being appointed to start to shape the shadow group of landlords; recruitment to the shadow Parent Board; and stock transfer would take place by 31 March 2015, subject to the approval of Government and Tenants. It was noted that should approval for stock transfer not be forthcoming from Government or Tenants, the alternative would be for a single Arms-Length Management Organisation (ALMO) for all of the Council's homes.

The Committee noted that the shadow "Parent" Board would operate such that it was overarching to the three existing landlords of Durham City Homes (DCH), Dale and Valley Homes (DVH) and East Durham Homes (EDH), which would become "Child" Boards, bound by legal agreements to ensure fair and equal treatment for all Council Tenants across the County. Members noted the requirement of all organisations to become landlords, or "Registered Providers", and for each organisation's Board to be registered with the HCA. It was added that to ensure this, robust governance arrangements were essential and existing Boards would be tested against regulatory requirements to ensure they were suitable for registration.

Councillors learned that the Parent Board would not be responsible for day-to-day running of the housing stock, however it would be responsible for:

- Determining the overall strategy of the Group.
- Monitoring and managing financial information and overall performance against plans and strategies.
- Systems of internal control, audit and risk management.
- Appointing and removing subsidiary board members, to show a formal relationship and overall control of the Group.

It was explained that the shadow Parent Board would be responsible for shaping the new Group of landlords, supporting transfer and taking decisions and that recruitment began in November 2013, based upon the skills required to lead and to satisfy the HCA and banks/potential lenders. The Stock Transfer Project Manager noted the shadow Parent Board would comprise of 13 members: 4 independents; 3 Tenants from across the County; 3 Council nominees; and the Chairs of DCH, DVH and EDH.

It was added that the shadow Parent Board would, subject to stock transfer, eventually become the registered Parent Board, and the inaugural meeting of the shadow Parent Board was scheduled for January 2014.

Members noted that informal consultation would build upon that undertaken in summer 2013 and a transfer project “Your Home, Your Future, Your Choice” had been launched with newsletters to all Tenants, a dedicated stakeholder newsletter, and an internet “micro-site”. It was explained that home visits to all Tenants had taken place throughout November 2013 and that the information from the 58% of the total amount of Tenants that had responded indicated that 73% were reasonable positive about the proposal, 4% reasonably negative and 23% remained uncertain. The Stock Transfer Project Manager noted that while this was very encouraging, there was no place for complacency and key issues in moving to formal consultation would be to highlight the need for more money to invest in neighbourhoods, new services, new homes and localism. It was noted that the response robustness would be tested via telemarketing and that regular contact with existing Tenants’ and Residents’ Panels would continue. Councillors noted that the Customer Working Group had been extended, now including 30 members from across the County and that an Employee Focus Group had been established including all organisations and plans to expand. Members learned that further communication and consultation was planned will all stakeholder groups including: more information being made available in a variety of formats; briefing sessions; Board and interim Managing Director road shows; and more home visits.

The Stock Transfer Project Manager informed Members of the information that was required to go into the Transfer Proposal, namely:

- Transfer offers, as part of the consultation and ballot process.
- Setting out what Tenants could expect if a transfer was to take place in comparison to if the Council remained as landlord.
- Information on key issues determined during the informal consultation.
- Governance arrangements.

Members noted that if the process moved forward to a ballot, the a “Stage 1” notice would be issued first, to be followed by Ballot Papers issued separately, and independently of the Authority.

The Stock Transfer Project Manager explained that the next steps would be: to await the response to the application from Government, expected in March 2014; to provide update letters to all Tenants and Stakeholders in January 2014; for the shadow Parent Board to hold its inaugural meeting in January 2014; for a number of “meet the gang” roadshows to take place during January and February 2014; to continue to develop offer documents; and for the shadow Group of landlords to continue to take shape in terms of proposed structures and purpose.

The Chairman thanked the Stock Transfer Project Manager and asked Members for their questions on the report and presentation.

Councillors asked what the composition of the board would be, what the role of the local Councillors would be, and who had been appointed as interim Managing Director.

The Stock Transfer Project Manager explained that the Council could nominate an Officer, ex-Councillor or Resident, however most Local Authorities had nominated Councillors as they had a democratic mandate to act in the interests of local people, the environment and economy. Members noted that the temporary Managing Director was Mr Bill Fullen, a former Director at Gateshead Council and former Chief Executive of The Gateshead Housing Company, one of only “3*” rated housing organisations.

Resolved:

- (i) That the information within the report and presentation be noted.
- (ii) That the Committee continue to receive further updates in relation to the development, impact and delivery of new arrangements.

12 The County Durham Community Infrastructure Levy (CIL)

The Overview and Scrutiny Officer referred the Committee to the report relating to the County Durham Community Infrastructure Levy highlighting the draft response from Overview and Scrutiny based upon the comments from Members when this issue was considered at the meeting on the 21 October 2013. It was confirmed that the response had been signed off by the Chair and vice-chair of the Economy and Enterprise Overview and Scrutiny Committee and shared with the members of the committee for accuracy. The Committee was asked to receive the report, not its content and endorse the submission as the formal response of Overview and Scrutiny.

Resolved:

That the response as set out within the report be endorsed as the formal response of Overview and Scrutiny to the Community Infrastructure Levy.

13 County Durham Plan - Pre-submission Draft Consultation

The Principal Overview and Scrutiny Officer asked Members to recall the recent Overview and Scrutiny Workshop looking at the Pre-submission draft of the County Durham Plan. Councillors were reminded that facilitated discussions on the topics of: housing; the economy, including transport, the Environment; and General Strategy had taken place at the workshop, with the feedback having been collated and circulated to Members for any additional comments. It was added that subject to the comments from Members, and in consultation with the Chairman and Vice-Chairman, the final response had been submitted to Regeneration and Economic Development. Members were referred to Appendix 2 to the report which set out the response from Overview and Scrutiny for information. The Committee was asked to receive the report, note its content and endorse the submission as the formal response of Overview and scrutiny to the County Durham Plan Pre-submission draft.

Resolved:

That the response as set out within the report be endorsed as the formal response of Overview and Scrutiny to the County Durham Plan Pre-submission draft consultation.

14 Minutes of the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 4 November 2013 were received by the Committee for information.

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Special Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2, County Hall, Durham** on **Monday 27 January 2014** at **9.30 am**

Present:

Councillor R Crute (Chairman)

Members of the Committee:

Councillors E Adam, J Armstrong, A Batey, J Bell, J Clare, D Hall, A Hopgood (substitute for O Temple), J Maitland, H Nicholson, R Ormerod, A Patterson, J Rowlandson, P Stradling, A Willis and S Zair

Co-opted Members:

Mr P Robson (JobCentre Plus)

Also Present:

Mr D Kinch

1 Apologies for Absence

Apologies for absence were received from Councillors I Geldard and O Temple.

2 Substitute Members

Councillor A Hopgood substituted for Councillor O Temple.

3 Declarations of Interest

There were no Declarations of Interest.

4 Items from Co-opted Members or Interested Parties

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

5 Youth Employment Initiative - Overview

The Chairman introduced the Strategic Manager, Progression and Learning, Children and Adults Services, Linda Bailey who was in attendance to give an overview of the Youth Employment Initiative (for copy see file of minutes).

The Strategic Manager, Progression and Learning explained that the Youth Employment Initiative (YEI) represented a unique opportunity to make a real difference for young people aged 15-24 years old who were not in education, employment or training (NEET). It was explained that County Durham, as a Transition Region was allocated €157 Million, and the North East Local Enterprise Partnership (NELEP) allocation in total, including the Transition Region amount, was €539.6 Million. Members noted that only 7 areas in the country had been allocated YEI funding, with the total for County Durham being €9 Million from YEI, €9 Million from the European Social Fund (ESF) and an amount of €6 Million in match funding (€24m in total). It was explained that the €24 Million needed to be committed by 2015, and spent by 2018.

Councillors noted that the draft NELEP European Structural and Investment Funds Strategy had been submitted to Government and a finalised version would be passed to Government for approval by the end of January 2014, with a response expected by March 2014. The Strategic Manager, Progression and Learning explained that there would be a period of discussion as regards the programme and that this would last through to Autumn 2014, with procurement exercises to take place late 2014. Members noted that this represented a tight timescale in which to discuss and decide upon where to allocate funds, in the context of the NELEP.

The Committee noted that Government indicated that there should not be a single model for activities that YEI would fund, rather activities should take into account existing provision and needs. Members noted several areas that were particularly relevant to YEI, including: literacy and numeracy; targeting marginalised groups; and brokering between young people and employers. It was noted that this was not a proscriptive or exhaustive list. Councillors noted that an Activity Group was formed by the County Durham Economic Partnership (CDEP) to bring together a range of partners, with the Strategic Manager, Progression and Learning being lead officer. Members noted that an evidence base was being established and 6 activity clusters had been identified which included: raising aspirations for vulnerable young people; peer mentoring; supporting transitions; supporting young people's employment; world of work and enterprise; and pre-engagement activities.

The Strategic Manager, Progression and Learning added that within the activity clusters, there were schemes including: extended work experience; volunteering and mentoring, including paid mentoring using existing apprentices; supporting transitions to help ensure sustainable progression; and taking a proactive role with employers to create apprenticeship, training and work experience opportunities. The Committee learned that there was an example of the work currently being undertaken in relation to "world of work and enterprise", business ambassadors which inspires young people in relation to enterprise, followed up with enterprise activities both within the school day and after school. Councillors noted that there would be a number of pre-engagement activities with bespoke schemes developed for groups of young people with specific barriers preventing them moving forward.

The Strategic Manager, Progression and Learning concluded by noting that while it was early days within the process, once NELEP and strategic feedback regarding funding and appropriate activities was received, a programme as regards the funding allocations would be drawn up for the following year with partners, including with young people themselves.

The Chairman thanked the Strategic Manager, Progression and Learning and asked Members for their questions on the presentation.

Members asked questions in relation to: who would provide match funding; the impartiality and quality of the information advice and guidance (IAG) provided to young people; provision of supporting young people in becoming entrepreneurs; matching young people with available vacancies; matching skills to those required by employers, including identifying skills shortages; the role of business advisors in respect of brokerage with employers; and the levels of NEETs and “not knowns”.

The Strategic Manager, Progression and Learning explained that there were several possible sources for match funding, including Government agencies such as the Skills Funding Agency (SFA), the Department for Work and Pensions (DWP), or organisations such as the Big Lottery Fund, though this would be for determination by the NELEP with those discussions ongoing. Members noted that if there was not capacity within existing arrangements, either in-house or provided locally, then a suitable specification would be drawn up for any procurement exercise. Councillors learned that there was an enterprise strand, particularly looking at those post-16, however, there were other EU initiatives that focused on Business Support, including helping young people in starting a business. It was added that Business Advisors would be looking to help demonstrate the benefits to employers of taking on young people, with extended work experience prior to employment, apprenticeships and help with administrative issues associated with taking on a young person. Members noted that Business Advisors would “bang on doors” to help sell young people to employers, however, there would a need to ensure that the right young people were matched to employers to help stimulate employment. The Strategic Manager, Progression and Learning noted that the latest approximate figures, yet to be confirmed, were for the NEETs level being at 7.4%, and the “not knowns” being at 6.4% and that a strategic partnership plan concerning NEETs including early interventions to tackle the “not knowns” was being developed and in relation to the activity clusters it was confirmed by the Strategic Manager, Progression and Learning that interested members who wanted to get involved and suggest areas of activity for inclusion within the clusters could do so.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report on the development of the Youth Employment Initiative within County Durham at a future meeting of the Committee.

6 Digital Durham - Overview

The Chairman introduced the Head of ICT Services, Resources, Phil Jackman who was in attendance to give an overview of the Digital Durham Programme (for copy see file of minutes).

The Head of ICT Services reminded Members that the aim of the Digital Durham Programme was to bring superfast broadband, speeds in excess of 24 megabits per second, to all the businesses, homes and communities across County Durham.

Members recalled that Durham County Council (DCC) was working with other Local Authorities in respect of this and, based upon the outcome of the procurement process, 96% of premises would have superfast access, the 2% representing 96%-98% coverage would have access to broadband at speeds of 10-15 megabits per second, with the remaining final 2% having access to broadband and speeds of around 2 megabits per second. It was highlighted that this provision would be at current market rates with services being offered by retail Internet Service Providers, for example BT, Sky and Talk-Talk amongst others.

The Committee learned that the majority of provision would be via new fibre optic enabled cabinets, linked to existing copper cabinets that provide telephone services, known as fibre to the cabinet (FTTC). It was added that there were 9 phases within the deployment plan commencing in April 2014 and ending in September 2016, however, the first fibre cabinet just off Durham City market place was made live and officially launched on 17 December 2013, ahead of schedule. It was noted that this highlighted that it was not just rural areas that required works to enable superfast broadband and that many semi-urban areas also needed improvements.

The Head of ICT Services explained that it was through "Digital Inclusion" that the benefits of superfast broadband would be delivered, with activities to maximise the take up of the services, such as working with individual Area Action Partnerships (AAPs) as local cabinets were brought into use. Members noted that there could be scope for a small "claw back" of some funds, and that the Digital Durham Programme was a member of "Go On North East". Councillors noted that digital inclusion training had begun with DCC staff from Neighbourhood Services; the Programme was working with Business Durham in respect of business engagement and the take up of services on business parks; and there was ongoing work with Town Centre Managers to highlight regeneration opportunities presented by superfast broadband.

The Committee noted the bid to the Rural Community Broadband Fund for additional funding for Teesdale and Weardale, the final application to be with the Department for Environment, Food and Rural Affairs (DEFRA) by 28 February 2014. Councillors learned that the Programme had submitted a digital inclusion project as part of the new European Regional Development Fund (ERDF) Programme 2014-2020 and that this would be aligned with other potential ERDF funded projects. The Head of ICT Services concluded by noting that there was £250 Million yet to be allocated via Broadband Delivery UK (BDUK)/Department for Culture, Media and Sport (DCMS) and while it was likely that this would be allocated to those areas in the county to move from 90% to 95% provision, there may be scope to access some of the funding to help with any premises that still had poor broadband provision, guidance to be provided from Government in due course.

The Chairman thanked the Head of ICT Services and asked Members for their questions on the report, noting a Co-opted Member from the Environment and Sustainable Communities Overview and Scrutiny Committee and Overview and Scrutiny Management Board, Mr D Kinch had a question as regards this item.

Mr D Kinch thanked the Chairman and asked whether the application to DEFRA was the same application that had been submitted last September, 2013. The Head of ICT Services noted that there had been several applications to DEFRA and that Officers were working hard to try and progress the issue.

It was noted that should there be no progress via DEFRA, then there would be alternative plans drawn up to work without DEFRA. Mr D Kinch noted that Government had said that there was £10 Million available for rural broadband provision. The Head of ICT Services noted that the funds mentioned were for “alternative” technology for connecting to internet services and not for rural areas as such, and in any event, it was unlikely that those alternative technologies would be appropriate and unlikely that the areas in question would be eligible to access those funds.

Councillor A Hopgood highlighted that issues with broadband speed and internet connectivity were not just rural issues and asked what pressures could be put on British Telecom in relation to connectivity at Newton Hall. The Head of ICT Services acknowledged the issue of broadband speed was not just a rural issue and explained that the aim for the project was 100% connectivity countywide. It was added that some areas, such as Newton Hall, were in what were previously designated as within BT’s commercial roll out and were not eligible for state aid, albeit those areas were being addressed in respect of improving broadband speed. Councillors asked what works were required subsequent to cabinet surveys. The Head of ICT Services noted that as cabinets were coming into service, local Councils would be involved as appropriate and that surveys had only shown 1 cabinet that was not taken forward, due to prohibitive cost, and that cabinets generally required some civil works mainly in respect of connection to the electricity grid.

Resolved:

- (i) That the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report on the development of the Digital Durham Programme at a future meeting of the Committee.

7 Masterplans - Update

The Chairman introduced the Regeneration Projects Manager, Chris Myers and the Community Economic Development Manager, Wendy Benson who were in attendance to give an update on Masterplans (for copy see file of minutes).

The Regeneration Projects Manager reminded Members that Masterplans coordinated the regeneration activities across the County and fed into the County Durham Plan (CDP) and Infrastructure Delivery Plan (IDP). The Committee noted that there was engagement with partners, stakeholders and communities as regards Masterplans, and development was based on a corporate approach, in line with the Regeneration Statement and the RED Capital Programme, as well as taking into account other public and private sector partners’ activities. It was confirmed that Masterplans had now been prepared for all County Towns. The Community Economic Development Manager explained that the Targeted Business Improvement (TBI) scheme had looked to help improve the streetscape, and/or help businesses expand or move into empty units.

Members noted that £390,000 of DCC funding had delivered: 37 improved premises; 6 new businesses; 98 jobs; training opportunities; and had also secured a sum of over £400,000 of private sector investment in addition.

In terms of specific delivery activities, the Community Economic Development Manager noted: TBI at Consett, a new bar/restaurant creating 20 jobs; links to training providers; and physical improvements including new paved areas and bollards. Members noted in Stanley: the Town Council had invested heavily in street furniture and lighting; work had been undertaken in conjunction with the Head of ICT Services in relation to switching the local "Pubwatch" from analogue technology to digital; renewal and links to car parking at Front Street; the bus station site; and an emergency group had been set up in relation to the recent fires, involving Officers from Neighbourhood Services with some involvement from RED. In relation to Chester-le-Street, Councillors noted that there were opportunities in respect of: tourism linked to the town, park and Durham Cricket Club; improving links from the park to the town centre; and improving links from the train station to the town centre.

The Regeneration Projects Manager reminded the Committee that the marina at Seaham was opened in July 2013 and retail space was being let, with an ice-cream parlour to open in the next 2-3 weeks. Members noted that the recent winter weather had produced some spectacular images of waves crashing at the harbour, with one particular image being in the top 10 images on the BBC News website. Councillors noted a recent Cabinet report regarding the North East Industrial Estate at Peterlee, and noted development in Durham City at Freeman's Reach scheduled for completion in February 2016. Members noted flood modelling work regarding Durham City, carried out together with the Environment Agency, with the model completed in Autumn 2013, briefing sessions have been held with local Members; the University and local Residents Associations. The Committee noted the ongoing work on key development sites in the city, including the former City Baths site at Elvet Waterside, including adjoining University owned land, and Millburngate House.

The Community Economic Development Manager explained that activities at Spennymoor included a presentation at the Spennymoor AAP regarding the Masterplan, and will be developing projects over the next year. The Regeneration Projects Manager reminded the Committee that DurhamGate was the largest mixed-use regeneration project in the North East, with the highways infrastructure now completed and other adjoining sites being looked at regarding further development.

Councillors noted that as well as the well-publicised Hitachi development, Newton Aycliffe had also several good improvement activities including relocation of the library into the leisure centre / Customer Access Point (CAP). Members noted that at Bishop Auckland there was ongoing work with the Auckland Castle Trust and their Heritage Lottery Fund project and work to maximise the occupation and retail offer at the Newgate Centre. The Community Economic Development Manager explained that an overall public realm strategy needed to be developed for Shildon and there would be opportunities to improve the attractiveness and accessibility of the town centre, and potential for the removal of some street signage and street furniture.

Members noted several activities ongoing at Crook, including: relocation of the depot to free up land for development; development at Queen Street for food retail; the CAP moving into the library; support for sustainable travel options; and improved public realm and retailer support.

The Regeneration Projects Manager concluded by noting regeneration activities at Barnard Castle including bird screening and tree planting at part of the Heart of Teesdale Landscape Partnership; the new CAP which was opened to the public on 10 January 2014, with an official opening by the Chairman of Durham County Council and the Mayor of the City of Durham, Councillor P Charlton scheduled for 12 February 2014; and a preferred developer has been agreed for the former Council offices at Teesdale House, where we expect that they will submit their planning application in Spring 2014.

The Chairman thanked the Officers and asked Members for their questions on the presentation.

Members asked whether there was still a hierarchy in place for those settlements outside of the 11-12 “main settlements” and noted that local Members should be kept informed as regards when Masterplans would be discussed and implemented. It was confirmed that Local Members would be kept informed in relation to discussions on Masterplans.

Resolved:

That the report and presentation be noted.

8 Skills Development - Overview

The Chairman introduced the Employability Manager, Regeneration and Economic Development, John Tindale who was in attendance to give an overview of Skills Development in County Durham (for copy see file of minutes).

The Employability Manager thanked Members and referred them to several graphs within the presentation that gave various figures including those relating to: NELEP sectors with net employment growth; employment by sector for the County; qualifications of County Durham residents; apprenticeship performance; and UK and North East employment projections by sector 2010-20.

Councillors noted that the Hitachi development was an example kick-starting an interest in developing skills and hopefully discussions with Hitachi in due course will allow for local provision to be developed accordingly. Members learned that there was a perceived knock-on effect that many nearby local employers were “holding their breath” as regards developing their business, taking on apprenticeships or taking up training opportunities, awaiting the arrival of Hitachi before making decisions about their future. Members noted that further information as regards regional partnership working in developing an independent assessment of skills needs could be brought back to Committee at a future meeting.

The Committee noted that current key issues included preparing young people for jobs that would become available by offering IAG in schools, and wider, engaging with schools and employers to give young people a good and realistic view of their options. It was added that labour market intelligence was important, with a further report to come on this issue, and that the relevant statistics would need to be monitored in order to match skills to emerging jobs/employers such as Hitachi.

Councillors noted that economic confidence was also important though, as previously mentioned, some businesses were holding back on investment in staff/training in case of people looking to move into emerging jobs with employers, such as Hitachi. The Employability Manager noted the funding mechanisms in place such as EU funding via ERDF, YEI and some funding that could be available regarding higher level skills, and it was reiterated that match funding was required. Members were reminded that all activities were in the wider context of reductions in budgets not only at Local Authorities, but at other public sector bodies and private sector partners. It was explained that funding for skills training for 15-24 year olds was available, however, for those 24+ there was less funding available. Councillors did note a 24+ scheme in the south of the County, and a project working with those 50+ enabling them to get back into work.

The Employability Manager referred Members to a diagram showing supply and demand, highlighting that there were differences across the County and that in many cases there was a need to convince employers of the opportunities that were available to them and to convince them to produce a 3-5 year business plan that would help them with workforce development; business continuity and succession planning; and to grow their business where appropriate.

Councillors learned that in cases where employers needs are not being met, it can often be the case that employers struggle to articulate what skills they require and have unrealistic expectations of how quickly new employees can adapt and become fully productive. It was reiterated that in many cases employers were still finding it difficult to access the skills system and confusion often led to employers giving up and not investing in new employees or further skills training for existing employees.

The Committee noted that schools, in general, were still finding it difficult to involve employers and a barrier was that IAG was in many cases still only pushing an academic route, not including advice as regards vocational qualification, apprenticeships, entrepreneurship and those sectors of employment that were growing and likely to be looking for specific skills. Members noted that at both Further Education and High Education, funding was a still learner-led rather than employer-led and there was felt to be a mismatch between the types of bespoke training courses employers wanted in comparison to those being offered by providers. Issues of retention of higher level skills within the County were noted, with fewer graduate opportunities being available and better opportunities and high wages being offered elsewhere.

The Employability Manager explained that priorities for 2014 included: implementation of the School-Business Engagement Action Plan; continuing encouragement and facilitation of apprenticeship creation; workforce up-skilling via the ESF programme, NEETs; and the Adults Skills Strategy/Community Learning Strategy. Members noted a report regarding the skills required in Newton Aycliffe and the surrounding area was at an early draft stage and could be brought back to Committee at a future date.

The Employability Manager concluded by noting that discussions with the Developer at the Hitachi site, Shepherd, had been positive, with the company having an excellent apprenticeship scheme and that also sub-contracts would stipulate that there were opportunities for local people, either in employment or apprenticeship roles.

The Chairman thanked the Employability Manager and asked Members for their questions on the presentation.

Members noted that there were some issues with engagement and that companies could be cultural and asked questions in relation to: if skills are not available locally that skills would be brought in from elsewhere; reiteration of training providers not matching employer needs and the difficulty of providing bespoke training; and encouraging the engineering and manufacturing sectors as viable careers for young people.

The Employability Manager noted that experience of Shepherd suggested that over time what skills are needed in the area would emerge and that good communication would be important moving forward. Members noted there was the possibility of some skilled jobs requiring people brought in from outside of the County or region, however the majority of the employment opportunities would likely fall locally.

The Employability Manager noted that working with employers was important to develop training that delivered the skills they needed, and that the latest EU programme did push to deliver what employers required. It was noted that many providers were flexible, however, many employer were not aware and therefore it was important to engage with employers to ensure that opportunities are not missed. The Employability Manager agreed with Members as regards employers providing apprentice opportunities and cited Shepherds as a good example of this with all of the executives that had attended a recent meeting having started in the company as apprentices. Members were reminded of the work of the Sector Skills Councils, in particular regarding engineering in the region and noted a large event held at Nissan in October 2013 pushing the engineering and manufacturing sector, with all Head Teachers from the region being invited to attend in order for them to appreciate the options available and then cascade this so that pupils were aware of this career path.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further information in relation to the independent assessment of skills development in the Newton Aycliffe area at a future meeting of the Committee.

9 Combined Authority - Consultation

The Overview and Scrutiny Officer, Diane Close referred Members to the report for information relating to the consultation regarding the Combined Authority for Durham, Northumberland and Tyne and Wear.

Members noted that the Committee had fed into the response from Overview and Scrutiny, with the Chairmen and Vice-Chairmen of the Economy and Enterprise Overview and Scrutiny Committee and Overview and Scrutiny Management Board having signed off the response.

Resolved:

That the report be noted and the submission be endorsed as the formal response from Overview and Scrutiny.

This page is intentionally left blank

**Economy and Enterprise
Overview and Scrutiny Committee**

27 February 2014



Affordable Housing Delivery

**Report of Ian Thompson, Corporate Director, Regeneration and
Economic Development**

Purpose of the Report

1. The purpose of this report is to outline the extent of affordable housing delivery throughout County Durham.

Background

2. Affordable housing can be defined as:

*Affordable housing includes social rented and intermediate housing, provided to specified eligible households whose needs are not met by the market. –
Communities and Local Government.*

3. Affordable housing delivery within County Durham forms an essential part of the overall housing market throughout the county.
4. The Strategic Housing Market Assessment (SHMA) identifies there is an annual shortfall of 674 affordable units.
5. There are a number of types of affordable housing, each is designed to meet the affordable housing needs of our customers.
6. The main types of affordable housing are:

Affordable Rent

7. Properties that are developed by House Builders or Registered Providers and are to be rented, are generally rented at what is deemed to be an affordable rent. Affordable rent is 80% of the market rent for that area.

Social Rent

8. Social rent can be charged as an alternative to affordable rent, there is vary little variation within the county between the two types of rent, however in the South East there can be considerable differences. Social rent is calculated based on a government formula which ensures rental is kept low.

Discount Market Sale

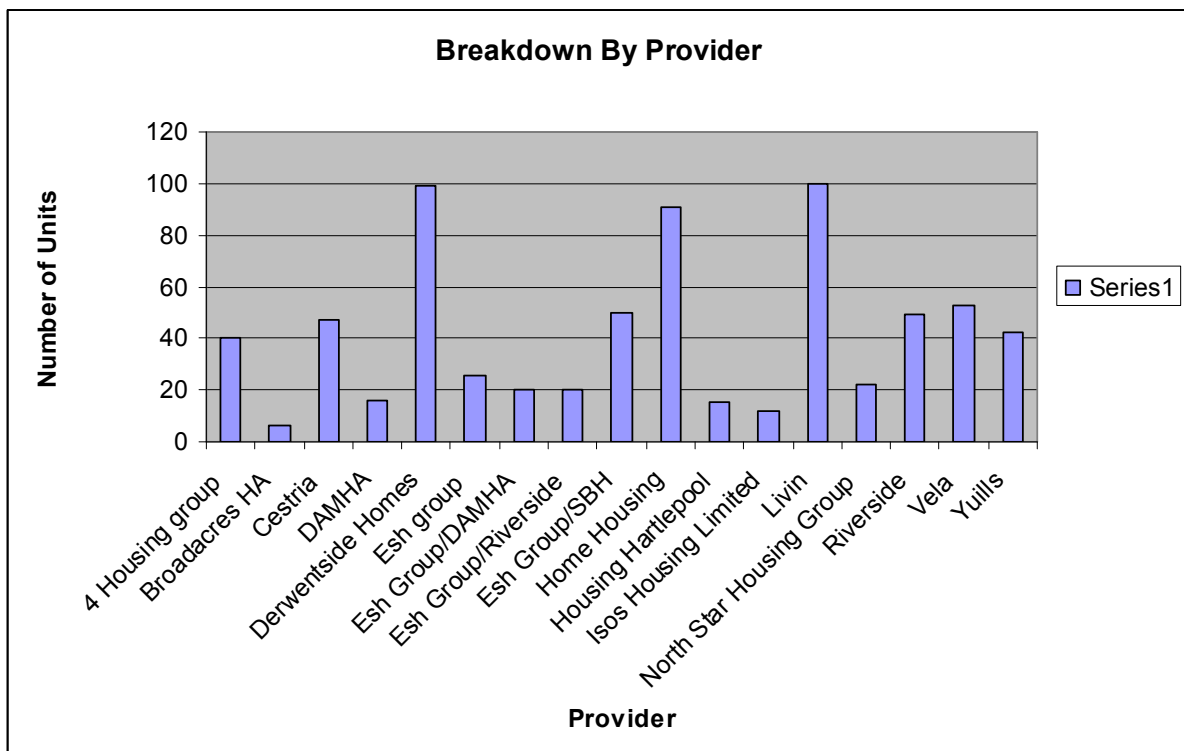
9. Discount market sale is a product which allows customers to purchase the property at a discount. Generally the discount is in the region of 30%. The discount amount is held in perpetuity and can only ever be sold at 70% of its market value, meaning the property remains affordable.

Shared Equity

10. A scheme of shared equity allows a prospective purchaser to own a proportion of the property and for a Registered Provider to own the remainder. The homeowner over time can opt to purchase more equity in the property until they own the property outright.
11. There are a number of additional schemes, which are marketed to first time buyers, these include home buy initiatives set by government, many of these schemes are developed to stimulate the housing market and do not necessarily aim to provide affordable housing.

Past Performance

12. The number of affordable homes over the past 4 years has steadily increased as follows:
 - In 2009/10 a total of 223 affordable units were delivered.
 - In 2010/11 a total of 289 affordable units were delivered.
 - In 2011/12 a total of 344 affordable units were delivered.
 - In 2012/13 a total of 389 affordable units were delivered.
13. In 2010 the Homes and Communities Agency (HCA) launched their affordable homes programme 2011 – 2015. This programme has assisted in the delivery of affordable housing throughout the county and has directly delivered some 500 units since 2011 with a further 200 units due to complete prior to April 2015. The graph below demonstrates the number of units to be delivered by each of the registered providers through the current HCA programme.



14. Registered Providers within Durham were awarded in the region of £15m in grant assistance, with an average grant rate of £21,186 per unit, enough to deliver 700 units.

Moving Forward

15. Through the latest SHMA, affordable housing requirements have been set for developments to include the following affordable housing percentages:

South	-	10%
West	-	15%
Central	-	20%
East	-	10%

16. The HCA have launched their new Affordable Homes Prospectus 2015 – 2018 and are currently seeking expression of interest from Registered Providers. This programme will assist in the continuation of a healthy supply of affordable housing within the county.

17. The timescales associated with his new prospectus are:

Milestone	Date
Launch of bid round	27 Jan 2014
Close of bid round	noon Wednesday 30 April 2014
Clarification and assessment of bids	01 May-20 June 2014
Moderation of bids	23-30 June 2014
Clearance of recommendations for allocations	early July 2014
Announcement of successful allocations	mid-July 2014

18. As part of the programme, the council will work alongside providers in ensuring their proposals fit in with the SHMA and new affordable housing is located within those areas of most need.

Recommendation

19. That the members of the Economy and Enterprise Overview and Scrutiny Committee note and comment upon the information provided in the report.

20. That the Economy and Enterprise Overview and Scrutiny Committee receive at a future meeting an update in relation to affordable housing delivery.

Background papers:

HCA Affordable Homes Prospectus 20015 - 2018

Contact: Richard Roddam, Housing Development and Delivery Manager
Tel: 01207 218 907 **E-mail:** richard.rodham@durham.gov.uk

Appendix 1: Implications

Finance – None

Staffing - None

Risk - None

Equality and Diversity – None

Accommodation – None

Crime and Disorder – None

Human Rights - None

Consultation - None

Procurement – None

Disability Discrimination Act- None

Legal Implications - None

**Economy and Enterprise
Overview and Scrutiny
Committee**



27 February 2014

Homelessness Strategy Update

**Joint Report of Lorraine O'Donnell, Assistant Chief Executive and
Ian Thompson, Corporate Director, Regeneration and Economic
Development**

Purpose of the Report

1. To provide members of the Economy and Enterprise Overview and Scrutiny Committee with background information on the Homelessness Strategy prior to an update presentation by Andrew Burnip, Team Manager, Regeneration and Economic Development.

Background

2. Members will recall that at the Economy and Enterprise Overview and Scrutiny Committee on the 24 June 2013 the work programme of the Committee was agreed which identified as a future item for consideration by the Committee an update in relation to the Homelessness Strategy.
3. The Economy and Enterprise Overview and Scrutiny Committee on the 6 July 2012 received an overview of the Homelessness Strategy and it was thought appropriate that an update be provided to the Committee as part of the work programme 2013 – 18 on the progress of the strategy to date. The presentation on the 27 February will focus on the following:
 - Provide an update on achievements following the Homelessness Strategy 2008-13.
 - Provide an update on the development of the Homelessness Strategy 2013-18.
 - To provide an update on trends in housing need across the County.

Homelessness Strategy - background

4. The Homelessness Act 2002 determines that local authorities must formulate and publish a homelessness strategy based on the results of an area wide review. The life of the strategy should be no more than five years, and when the strategy expires or is due for expiry; the authority must publish a new homelessness strategy.
5. The Homelessness Strategy 2008-13 has expired and a new strategy was adopted by Cabinet in July 2013. The 2013 – 18 County Durham Homelessness Strategy has been developed through the County Durham Homelessness Action Partnership (HAP), the vehicle for strategic joint working on homelessness across the County.

In line with government guidance, the strategy includes plans for:

- The prevention of homelessness;
 - Ensuring there is sufficient accommodation available for people who are, or who may become homeless;
 - Ensuring there is satisfactory support for people who are, or who may become homeless, or who need support to prevent them from becoming homeless again.
 - The strategy to be an effective and relevant document by developing it in partnership with all stakeholders and service users.
6. The Department for Communities and Local Government (DCLG) continues to recognise the importance of preventing homelessness and set out 10 “Local Authority Challenges” in the recently published “*Making Every Contact Count: A Joint Approach to Preventing Homelessness*” report. The Government’s ‘Gold Standard’, based around these 10 challenges, sets the bar for local homelessness services. A sector led peer review scheme underpinned by support and training, is designed to help local authorities deliver more efficient and cost effective homelessness prevention services.
7. Developing effective local strategies in partnership, to prevent & tackle homelessness *proactively* is a positive step towards achieving the “Gold Standard” represented by the 10 challenges. The challenges emphasise the importance of robust local preventing homelessness strategies, and a comprehensive housing options offer to people who are homeless or at risk of homelessness.

The **ten local challenges** the government has posed to the sector are to:

- Adopt a corporate commitment to prevent homelessness which has buy in across all local authority services.
- Actively work in partnership with voluntary sector and other local partners to address support, education, employment and training needs
- Offer a Housing Options prevention service, including written advice, to all clients
- Adopt a *No Second Night Out* model or an effective local alternative
- Have housing pathways agreed or in development with each key partner and client group that includes appropriate accommodation and support
- Develop a suitable private rented sector offer for all client groups, including advice and support to both clients and landlords
- Actively engage in preventing mortgage repossessions including through the Mortgage Rescue Scheme
- Have a homelessness strategy which sets out a proactive approach to preventing homelessness and is reviewed annually so that it is responsive to emerging needs
- Not place any young person aged 16 or 17 in Bed and Breakfast accommodation
- Not place any families in Bed and Breakfast accommodation unless in an emergency and then for no longer than 6 weeks.

8. The Council will seek to secure the “Gold Standard” over the life time of the strategy. To ensure services and partnerships develop to reflect best practice the strategy action plan has been aligned to incorporate actions identified to assist in this goal. (see Appendix 2 Action Plan)

Legal context

9. The Statutory Homelessness Duty:

Section 184 of the Housing Act 1996 states that where a local authority considers a person may be homeless or threatened with homelessness within 28 days, they shall make such investigations as are necessary to establish whether the person is eligible for assistance and if so what duty is owed to them (if any).

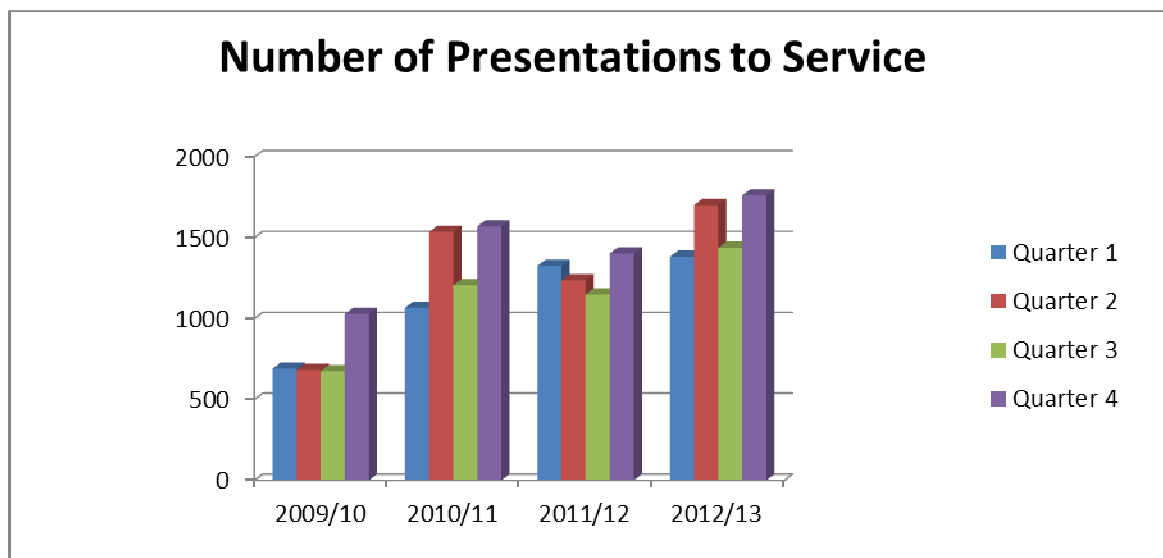
10. The principal duty is an obligation to secure that suitable accommodation is available for a person who is:
 - Homeless or threatened with homelessness in 28 days. (S.175 HA 1996)
 - Is eligible for assistance. (S.185 HA 1996)
 - Is in priority need. (S.189 HA 1996)
 - Is not intentionally homeless. (S.191 HA 1996)
 - Has a local connection. (S.199 HA 1996)

Homelessness Strategy 2008-13:

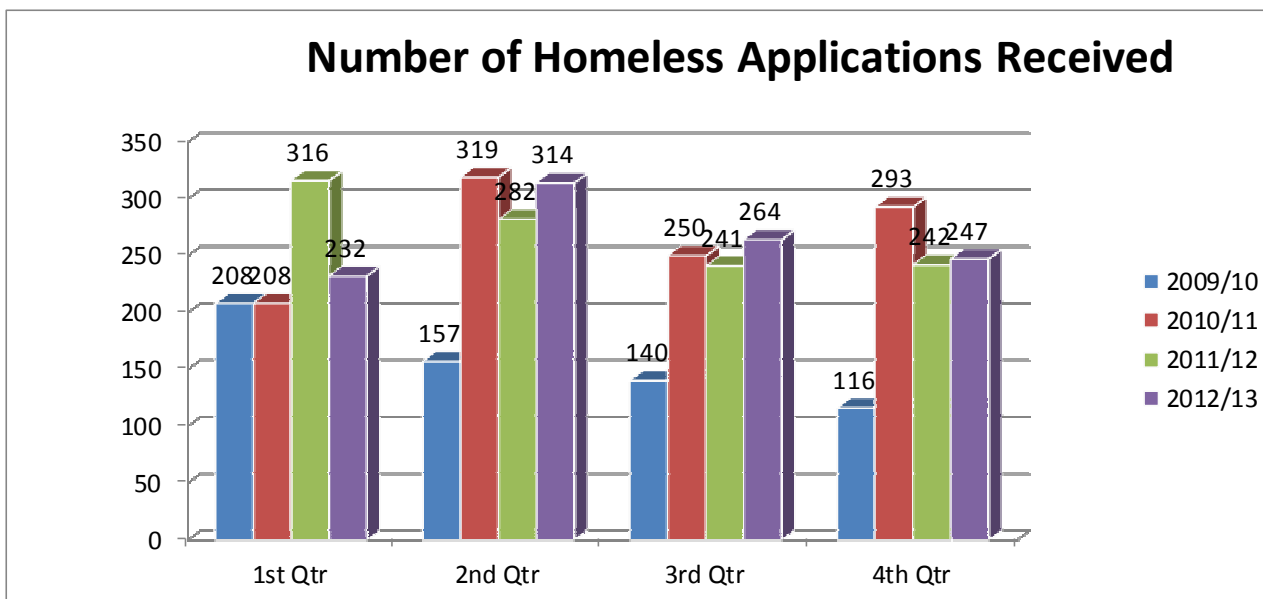
11. The Homelessness Strategy for County Durham, 2008-13 was developed prior to Local Government Reorganisation with the former District and County Council(s) working together within the Homelessness Action Partnership (the strategic group for homelessness in the County). The strategy for 2008-13 set out how the Housing Solutions Service would develop post vesting day, to incorporate best practice from the former District Services and build on this, with our partners to meet the housing and support needs of the residents of County Durham.
12. The Homelessness Strategy 2008-13 had three strategic objectives:
 - To prevent homelessness by delivering prevention and housing options focused service across County Durham that delivers advice and assistance to all in housing need.
 - To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk.
 - To support people who are homeless or who are at risk of repeat homelessness.
13. Over the past 5 years the Council has been working with various partners to develop and improve services to prevent homelessness. Appendix 3 lists the service developments over this period.

Trends and Progress 2008-13

14. The Housing Solutions Service monitors presentations to the service and reports trends and outcomes on a quarterly and annual basis. Recording of outcomes generally sit within either statutory homelessness duties or homelessness prevention.
15. Preventing homelessness means providing people with the ways and means to meet their housing and any housing-related support needs in order to avoid experiencing homelessness. Effective prevention will enable a person to:
 - remain in their current home, where appropriate; or
 - to delay a need to move out of current accommodation so that a move into alternative accommodation can be planned in a timely way;
 - Or to sustain independent living.
16. Prior to Local Government Reorganisation (April 2009) many of the former District Councils did not have computerised systems to record presentations or homelessness applications so we are unable to provide accurate data for this period. From April 2009 a new integrated system was available; as a consequence the review of trends will cover 2009/10 to 2012/13.



17. Over the period presentations to the service had increased from 3075 in 2009/10 to 6281 in 2012/13 representing a 104.2% increase.
18. Over the period presentations to the service have been mainly concentrated in the East (Seaham and Peterlee) and to the North (Derwentside and Chester-Le-Street).



19. The number of homelessness applications relates to the number of households who have approached the Council where we have had reason to believe that the statutory threshold for enquiries to commence under Part VII of The Housing Act 1996, (as amended Homelessness Act 2002), have been met. That is where Housing Solutions have reason to believe the applicant is eligible for assistance and homeless or threatened with homelessness within 28 days.
20. Homelessness applications to the authority have increased by 70% from 2009/10 to 2012/13. However, over the year 11/12 – 12/13 applications have reduced by 2.2%. Over the period significant work has been undertaken to ensure a consistent approach to homelessness applications, investigations and decisions leading to a more consistent trend in applications from 2010/11 to 12/13.
21. The total numbers of decisions represent statutory decisions made by the Council following applications under Part VII of the Housing Act 1996 (as amended Homelessness Act 202). The decisions made by the council as a percentage increase or decrease from 2009/10 – 2012/13 is:
- Ineligible households -90%.
 - Eligible, but not homeless +85%
 - Eligible, homeless but not in priority need +29.3%.
 - Eligible, homeless, in priority need but intentionally homeless +10.8%.
 - Eligible, unintentionally homeless and in priority need +28.4%

The three main reasons for homelessness over the period have been:

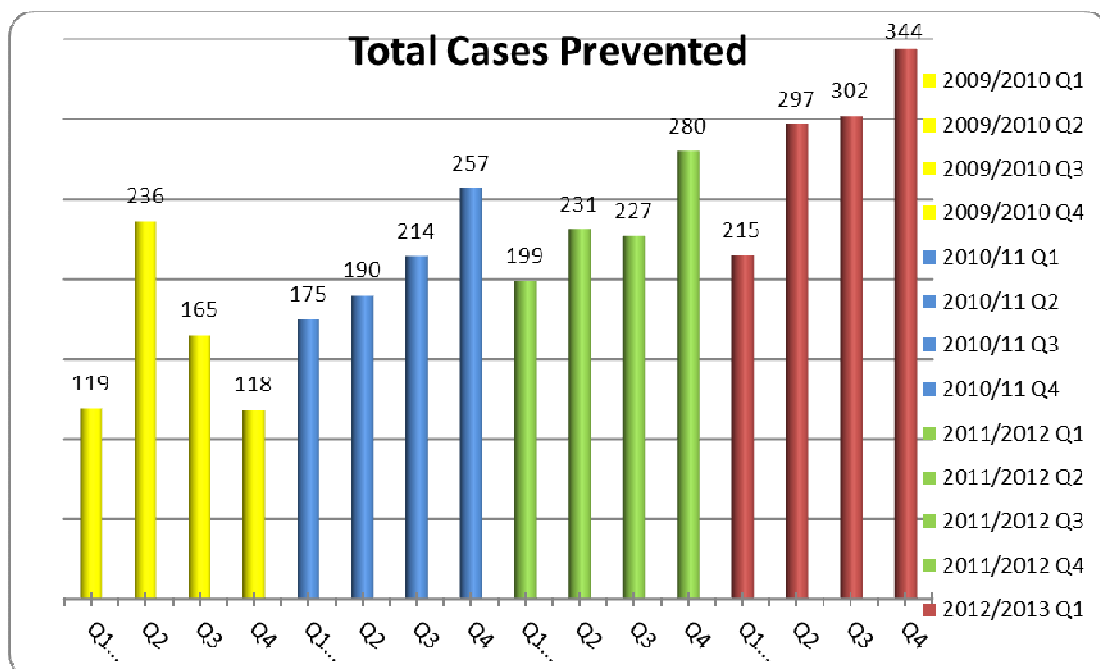
- Domestic Violence
- Loss of Rented accommodation
- Non-violent relationship breakdown.

22. Whilst domestic abuse remains the main reason for homelessness across the county, there has been a 28.3% decrease in 2012/13 compared to 2011/12. This is a consequence of the on-going partnership work on reducing the prevalence of domestic abuse in County Durham and specialist training within the Housing Solutions Service in supporting victims of domestic abuse and a corresponding increase in supporting victims to remain in their own home if safe to do so through the Remain Safe project.

The top three reasons for priority need over the period have been:

- Households with dependent children
- Violence / threat of violence
- Mental illness

23. The main priority need groups broadly mirror the main reasons for homelessness with many households fleeing domestic abuse containing dependent children.



24. Over the period (2008-13) the Council and its partners prevented 3566 households from becoming homeless, an increase over the period of 281%. In 2012 Housing Solutions Service completed a diagnostic assessment with the assistance of the DCLG Specialist Advisor. This work concluded that the cost to the authority of processing a homelessness application is £924.20p, compared to the average prevention costing £741.36p – making prevention not only better for the family and individual, but also 28% cheaper. Over the period prevention of homelessness has therefore avoided approximately £652,000 of Durham County Council costs.

25. The costs avoided by the Authority do not include the wider social and economic savings of homelessness prevention. In August 2012 the Department for Communities and Local Government report: Evidence review of the cost of homelessness: attempted to establish the cost of homelessness to wider government departments, including the Department for Work and Pensions, Department of Health, Ministry of Justice and to Local Authorities. Combining these wider social and economic costs, each homelessness case is estimated to cost the wider economy between £24,000 and £30,000. Taking this lower estimate, homelessness prevention has saved County Durham £85.5 million over the past 5 years.
26. Over the 12 months (March 12 – April 13) the service has seen a 22.8% increase in presentations with over 6,200 people seeking advice and support. Cases resulting in the prevention of homelessness have increased by 24.2% to 1159, exceeding the local performance indicator. At the same time there has been a 2.2% decrease in statutory homelessness applications.
27. It is also noted that there has been an increase in households presenting due to inability to afford their housing costs. Rent arrears cases increased by 103%, possession cases increased by 249%. Over the same period homelessness due to domestic abuse has decreased by 28.3%, whilst at the same time prevention of homelessness following the provision of additional security measures to enable victims of violence to remain in their home, if safe to do so, increased by 92%. A significant milestone has also been reached with no 16/17 year olds being accepted as homeless over the period, indicating the success of the new Holistic Temporary Accommodation Support Service (HTASS) tasked with providing emergency supported housing and support to assist young people to return home.
28. The emerging trend in households presenting due to financial hardship reflect the implications of welfare reform for housing which are far reaching and will impact hard on lower income households. Taken together with the changes to personal benefits, over the short term (next 12 – 24 months), there is a significant risk that households affected will be at risk of homelessness due to their inability to afford their housing costs whilst trying to manage reductions in household income alongside managing other debts.

County Durham Homelessness Strategy 2013-18:

29. The following objectives have been developed to meet current and future trends.
 - To prevent homelessness for all in housing need across County Durham.
 - To ensure that services work in partnership to meet the holistic needs of all clients, including those with complex needs and / or those at risk of rough sleeping.
 - To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk of becoming homeless.
 - To provide housing advice and housing options to those in housing need in County Durham.

- To tackle the wider social and economic causes of homelessness by supporting people to access health, employment, training and associated services.
- To achieve Gold Standard in meeting the 10 local authority challenge (*Making Every Contact Count: A Joint Approach to Preventing Homelessness*)

The Homelessness Strategy 2013-18 can be found using the following link.
<http://content.durham.gov.uk/PDFRepository/HomelessnessStrategy2013-18.pdf>

Progress to date

30. Since the adoption of the Homelessness Strategy 2013-18 the Housing Solutions Service, together with our partners, continue to monitor and respond to trends by developing new and more efficient service delivery options for those in housing need.
31. It has been noted over the past 9 months that the needs of clients have changed. This change has been driven by the impact of Welfare Reform and pressures on households to manage debt and living costs.
32. From April 13 to December 13 the following 6 reasons are the most common for contacting the service:
 - Financial Hardship
 - Violent relationship breakdown
 - Rent Arrears Housing Association.
 - Non-violent relationship breakdown
 - Evicted by parents
33. Looking at enquiry types from the year to date compared to the same period last year offers us a picture of the changing nature of housing need across the county.

Enquiry Type	Q3 13/14	Q2 13/14	To date 13/14	To date 12/13	% change +/-
Financial Hardship	277	161	614	30	+1,946%
Relationship breakdown - violent	146	141	350	368	-4.8%
Rent Arrears HA	114	100	326	645	-49.4%
Relationship breakdown: Non violent	97	112	339	412	-17.7%
Eviction by parents	96	127	355	615	-42.2%

34. A decrease is noted in eviction by parents, down by 42.2%. This may be a consequence of parents unwilling to evict young people resulting in under occupation and a financial penalty from the removal of the under occupancy charge. We are also seeing significant success in prevention of homelessness for young people evicted by parents via a number of services developed specifically to reduce this cause of homelessness. In the last 12 months the Joint Protocol for 16/17 years old, delivered by Stonham via the Holistic Accommodation & Support Service has assisted 121 young people (aged 16/17) with 67 supported to return to family or friends. Further within HTASS the crash pad services has accommodated 45 young people (aged 16/25) with 17 supported to return home. The Emergency Supported Lodgings Service funded by Housing Solutions and managed by CAS has placed 98 young people (aged 16/25) with 37 supported to return home. These initiatives have further contributed to an 89% reduction in B&B use for 16/17 years olds further contributing to our prevention focus to support young people and families.
35. Violent relationship breakdown has also reduced by 17%. This may be a result of service improvements to the Remain Safe Service, now delivered by Direct Services offering free home security to enable victims of violence to remain and feel safe in their home. As of 20th December 2013, 278 households have been assisted by Remain Safe since the 1st April 2013. This compares to 140 cases in 2011/12 the final year. To December 2013 the service assisted more people to remain in their home than for the whole of
36. Hardship has seen the largest increase in presentation with a 1,946% increase to 614 cases, (although this is from a low base in 12/13 of only 30 cases). Part of the increase is due to improved case recording by officers to ensure customer's main reason for presenting to the service is recorded. However, the increase is also representative of the impact of welfare reform and the wider economic downturn and pressures on household income due to increased cost of living. The impact of the withdrawal of the spare room subsidy in the social rented sector, capping payments in the private rented sector, in addition to increased utility costs and personal debts are squeezing the ability for households to afford their housing costs and remain in their home.
37. The Housing Solutions Service with a range of internal and external partners are responding to this trend via the introduction of the triage process for Discretionary Housing Payments and for those customers affected by the removal of the spare room subsidy. 3 additional Officers and 1 Assistant have also been recruited to assist households affected by the Benefit Cap and those in the private rented sector affected by the extension of the Shared Room Rate.
38. Over the past 6 months the Housing Solutions Service and our partners have been working to address actions within the Homelessness Strategy Action Plan. In addition to progress made above to seek to support those households in financial hardship, the service has further developed the following.
39. Peer Education. In partnership with CAS – developing a peer education course to be delivered in Schools highlighting the causes of homelessness and the services available to young people in years 10 and 11.

- 40. Family Mediation. In partnership with Centrepoin, the national young homelessness charity, a service offering family mediation for young people aged 16-25 to help young people reconcile with family to facilitate a return home.
- 41. Development of Churchill Square: The only female only supported accommodation service in the North East assisting women with complex needs to access support and advice services to make positive life changes. The service receives funding from the Regional Homelessness Group and the Police and Crime Commissioner.

Next Steps

- 42. Housing Solutions will continue to monitor trends and work with partners to develop new services to meet the housing and support needs of the residents of County Durham.

Recommendations

- 43. Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 44. That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report on the development of the Homelessness Strategy at a future meeting of the Committee.

Background Papers

Economy and Enterprise OSC – 6 July 2012 - Report and presentation on the Homelessness Strategy.

Contact: Stephen Gwilym, Principal Overview and Scrutiny Officer
Tel: 03000 268 140 E-mail: stephen.gwilym@durham.gov.uk
Author: Diane Close, Overview and Scrutiny Officer
Tel: 03000 268 141 E-mail: diane.close@durham.gov.uk
Author: Andrew Burnip, Core Team Manager
Tel: 03000 262 543 E-mail: andrew.burnip@durham.gov.uk

Appendix 1: Implications

Finance – None

Staffing – None

Risk – None

Equality and Diversity– Impact assessment completed.

Accommodation - None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Discrimination Act –None

Legal Implications – Legal requirement under the Homelessness Act 2002 for Local Authorities to publish and review the Homelessness Strategy.

Appendix 2: Homelessness Strategy 2013-18 Action Plan:

Action 1:				
Objective: 1	To prevent homelessness for all in housing need across County Durham.			
Gold Standard 1:	We have adopted a corporate commitment to prevent homelessness which has buy in across all local authority services			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	Adult & Children Service / RED / Resources.			
Resources	DCLG Grant -			
Action	Start Date	Completion Date	Output	Status
All service groups are signed up to the homelessness strategy with a corporate commitment to deliver the aims and objectives	September 13	January 12	Identify relevant departments Draft report to seek commitment	
Lead member foreword within the local preventing homelessness strategy makes explicit commitment to early intervention and prevention	July13	August 13	Briefing note to Member and Head of Service	
Provide quarterly briefing sessions, including joint training across local authority services and VCOs, regarding the local response to homelessness and the importance of preventing homelessness, via prevention champions training.	September 13	On-going	Develop internal / external training plan for prevention champions.	
Provide briefings to elected members on the local strategic response to homelessness	September 13	On-going	Develop internal briefing programme & regular attendance at scrutiny committee.	
Provide quarterly updates to Housing Forum highlighting progress and blockages in delivery of strategic objectives to assess additional resource allocation	September 13	On-going	Agree reporting timeline	
Ensure Preventing Homelessness Grant allocation is fully utilised for the delivery of the Housing Options/Prevention Services	September 13	On-going	Seek Head of Service agreement	

Continue Corporate agreement to carry forward any under-spend in preventing homelessness grant funding	September 13	On-going	Seek Head of Service Agreement	
Ensure Government contribution to DHP is being used in a targeted way to prevent homelessness via incorporating assessment and triage into Housing Solutions Service.	September 13	On-going	Review triage service to ensure target group access DHP	
Continued support to Homeless Action Partnership and Third Sector Forum.	September 13	On-going	Ensure programme of HAP & Third Sector meeting developed	

Action 2				
Objective: 5	To tackle the wider social and economic causes of homelessness by supporting people to access health, employment, training and associated services.			
Gold Standard 2:	We actively work in partnership with your Voluntary Sector stakeholders and other local partners to address support, education, employment and training needs.			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	HAP – RED -			
Resources	Within current resources.			
Action	Start Date	Completion Date	Output	Status
Via homelessness strategy - service map all VCO and other key partners (specifically statutory services & registered providers) in the area.	September 13	Annual review	Review current directories to assess suitability.	
Ensure all partners are consulted with regarding any changes to policies or practice and in the review of the homelessness strategy action plan.	September 14	Annual Review.	Develop review programme via HAP and Third Sector Forum	
Develop and agreed homelessness contacts within each VCO & within all Registered Providers following delivery of Prevention Champions Training.	September 13	Annual review.	Seek SPOC in each organisation and include in prevention champions training.	
Develop and agree Named homelessness contacts within LA services (specifically), Housing Benefit, Children's Services, Adult Services, Environmental Health, Supporting People)	September 13	Annual Review	Seek SPOC in each Department and include in Prevention Champions Training programme.	
Develop and agree Named homelessness contacts within other statutory services (Police, Probation, JCP, CMHT,)	September 13	Annual Review	Seek SPOC in each Department and include in Prevention Champions Training programme.	
Ensure Housing Solutions represented on local Health & Wellbeing Board	TBC	TBC	TBC	
Ensure via DKO that Housing Solutions is engaged with Registered	September	Annual	Ensure action included in	

Provider Community Investment programmes and services to tenants and residents of social landlords, including job clubs, training and skills opportunities for tenants and support providers in the delivery of housing options as required, for example via Enhanced Housing Options Wizard.	13	Review	DKO action plan to be monitored via Steering group	
Ensure Housing Solutions continue to develop and support Partnerships include enabling access to Furniture/white goods and food banks	April 14	April 15	Review current provision and assess gaps / possible funding routes.	
Develop Joint working or SLAs with credit unions in regard to referrals of clients and possible allocation of repossession loan fund.	October 13	April 14	Review current providers and seek agreement.	
Map and review delivery of LSC contracts across the County to identify provision and areas lacking access to social welfare advice and develop appropriate partnership response.	October 13	April 14	Review current provider's gaps and seek appropriate referral routes.	

Action 3					
Objective: 1	To prevent homelessness for all in housing need across County Durham.				
Gold Standard 3:	We offer a Housing Options prevention service, including written advice, to all clients				
Lead Agency/Agencies	Andrew Burnip: Durham County Council				
Project Manager	Andrew Burnip				
Key Partners	RED				
Resources	Within current resources.				
Action	Start Date	Completion Date	Output	Status	
Review service standards for housing solutions service delivery in partnership with key partner agencies (including VCOs) and service users	October 13	April 14	Review current standards. Consider wider regional minimum standards. Include in HAP & Third Sector action plans.		
Provide regular training updates to customer service staff on housing solutions services, including effective referrals.	November 13	Annually	Review current training materials and agreed delivery programme.		
Seek to establish regional common service standards with all Local Authorities setting minimum service standards for all clients approaching housing solutions / options services.	October 13	April 14	Review via regional homelessness group.		
Review internal procedures to ensure offer effective guidance to delivery of consistent service.	September 13	Annually	Review all current procedures to ensure effective and up to date.		
Ensure individual and team training plans include housing law and skills based training	September 13	Annually.	Include in HSS service plan		
Ensure effective delivery of procedures in regard to case allocation, quality of advice, corrective actions, and customer feedback reviews.	September 13	Annually	Review current training and quality assurance systems.		
Develop process of quality checks including Team Leaders / Managers sitting in on customer interviews to ensure consistent,	September 13	Annually	Agree regular programme of quality		

quality service is delivered.			checks to be included in HSS service plan.	
Promote the use of NHAS, training, mortgage debt advice and information resources	September 13	Annually	Review current resources and promote to front line.	
Ensure Baseline offer continues to include access to the private rented sector and all prevention tools for people who do not fulfil the statutory homelessness criteria.	September 13	Annually	Ensure cost effectiveness of prevention services are monitored and highlighted to ensure continued investment.	
Review access arrangements (including home visits, outreach surgeries, comprehensive online advice and information via web and EHO Wizard)	Septmeber13	April 14 Annually	Implement recommendations form service & diagnostic review.	
Update Equalities impact assessment.	September 13	April 14. Annually.		
Review options for development of triage service promoting self help, access to private rented sector via Durham Key Options and enabling resources to be targeted to those in greatest need.	Nov 13	April 14		

Action 4					
Objective: 3	To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk of becoming homeless.				
Gold Standard 4:	We have adopted a <i>No Second Night Out</i> model or an effective local alternative				
Lead Agency/Agencies	Andrew Burnip: Durham County Council				
Project Manager	Andrew Burnip				
Key Partners	HAP - RED				
Resources	Regional Grant Within current resources.				
Action	Start Date	Completion Date	Output	Status	
Complete annual street counts / estimates in accordance with DCLG guidance and with reference to Homeless Link toolkit	October 13	Annually	Agree rough sleeper count / estimate process via HAP		
Continue to support the development of Adults facing Chronic Exclusion (ACE) in response to rough sleepers.	September 13	On-going	Continue to support steering group / review / implement findings of prompt report.		
Ensure reporting of new rough sleepers feeds into regional monitoring process.	September 13	On-going	Update HS Staff / ACE Project staff on reporting of rough sleepers via No Second Night Out (NSNO) provisions.		
Complete annual health needs audit and ensuring finding informs service developments.	May 13	Annually.	Review guidance and implement audit. Upload action plan with findings.		
Develop a regional single service offer that is consistent across local partners, including an effective and robust reconnections policy.	April 14	September14	Agree and develop SSO with regional Las. Implement and monitor		
Ensure ACE pilot and NSNO response in County Durham is communicated to key partners and public via promotional activity and Prevention Champions Training.	September 13	Annually	Regular updated on ACE to HAP and incorporate response into Prevention Champions programme.		
Ensure ACE continues to provide direct access accommodation to rough sleepers.	September 13	On-going	Continue to support development of ACE / The Fells to promote		

			direct access for rough sleepers.	
Develop access to Crash pads and Emergency supported lodgings for rough sleepers.	September 14	April 15	Review current provision and assess possible access for rough sleepers.	
Develop options for female rough sleepers to ensure access to accommodation and support.	April 14	April 15	Review current provision. Map gaps. Identity possible funding sources.	
Develop MEAM pilot to address the accommodation and support needs of those clients excluded from services.	April 14	April 15	Identify partners and funding stream for application.	
Ensure ACE continues to provide a system for forming an assessment of rough sleepers within 72 hours of identification, including those with no local connection/entitlement.	September 13	On-going	Support future funding applications to continue response to rough sleeping	
Agree regional reconnections policy, including access to travel funds and plans to ensure accommodation and support is accessed.	September 13	November13	Develop and agree via regional Las group.	
Ensure NSNO offer in County is delivered in collaboration with key partners - Police and Community Safety, the local community, Outreach, faith groups, day services and others such as parks, parking and refuse collection as appropriate cooperating with local service offer and referring rough sleepers into local services	September 13	On-going	Continued to support NSNO Steering group across County Durham.	
Develop mediation services via FIP and / or relationship counselling services to reduce loss of accommodation due to relationship breakdown.	April 14	September 14	Map existing provision for mediation service. Review possible funding routes.	
Promote formal links between ACE other housing and support providers and Regional Through The Gate Service to promote early identification of those at risk of homelessness prior to release from custody.	September 13	April 14	Continue to attend Through the Gate Steering group to assist in integration and development.	
Ensure floating support is offered immediately following the securing of a tenancy by former rough sleeping to avoid breakdown of placement.	September 13	April 14	Review current support arrangements. Consider funding streams for additional floating support provision.	

Closure liaison between housing solutions / ACE and substance misuse teams to provide tailored advice and support.	September 13	April 14	Consider options / models of working to support client group.	
--	--------------	----------	---	--

Action 5				
Objective:2,3,4,5	<p>2. To ensure that services work in partnership to meet the holistic needs of all clients, including those with complex needs and / or those at risk of rough sleeping.</p> <p>3. To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk of becoming homeless.</p> <p>4. To provide housing advice and housing options to everyone in County Durham</p> <p>5. To tackle the wider social and economic causes of homelessness by supporting people to access health, employment, training and associated services.</p>			
Gold Standard 5:	We have housing pathways agreed or in development with each key partner and client group that include appropriate accommodation and support			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	RED / Children & Adults / HAP			
Resources	Within current resources.			
Action	Start Date	Completion Date	Output	Status
Review and extend Hospital Discharge protocol and evaluate effectiveness.	September 13	Annually	Monitor effectiveness / review / amend and extend to other hospitals / departments if required.	
Review Enhanced Housing Support Protocol and evaluate effectiveness.	April 14	Annually	Monitor effectiveness / review and amend if required.	
Continue to monitor effectiveness of Joint Protocol and Care Leavers Accommodation & Support Protocol (CLASP) via Holistic Temporary Accommodation and Support Service (HTASS) Steering group.	September 13	On-going	Complete annual review and quarterly monitoring to ensure service is meeting desired outcomes.	
Review referral pathways offered by regional through the gate service to support accommodation and support needs of returning prisoners and their families.	September 13	Annually	Continue to support development of service and involvement in service evaluation.	
Review Move-on arrangements with supported housing providers in	September 13	September 14	Review options, Developed shared tenant	

light of welfare reform.			scheme.	
Review supported housing commissioning arrangements and the impact of HTASS on referral pathways and move-on plans to maximise effective use of resources.	April 14	September 14	Establish project group, evaluate current model, and recommend future arrangements.	
Review impact of HTASS on floating support services and ensure continuity of support is offered where appropriate following move-on from HTASS	April 14	September 14	As above.	
Review Pathways model for young people via HTASS to ensure effective and reducing use of B&B	April 14	September 14	As above	
Review move-on arrangements and support from TA offered by HTASS and potential increase in use of PRS.	April 14	September 14	As above	
Evaluate personalisation pilot to assess impact and recommendations for service improvement.	September 13	December 13	Continue to monitor use and effectiveness of service. Recommend improvements where identified.	
Develop referral routes into employment, education and training options advice and support is available to all customers.	September 13	April 14	Review current referrals routes and recommend / develop improvements.	
Ensure links are maintain and developed to ensure the Think Family approach is adopted across Housing Solutions and services developed in support of trouble families services.	September 13	April 14	Review current practice and develop in line with good practice.	
Ensure Priority and Prolific Offender (PPO) role continues to provide support for offenders to ensure accommodation options are available for, including access to private rented sector.	January 14	March 14	Evaluate role and make recommendations.	
Consider jointly commissioned services to respond to housing need across the authority, for example, health, criminal justice, DWP et cetera taking advantage of GP commission arrangements based on evidence of need established via health needs audit.	April 14	July 14.	Completed Health Needs Audit. Report findings to appropriate groups. Present Homelessness Strategy priorities to relevant groups to seek corporate support to joint	

			working	
Review options to provide peer education to young people to prevent homelessness.	Aril 14	June 12	Map existing provision. Identify possible funding routes. Develop options report.	

Action 6				
Objective:3	To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk of becoming homeless.			
Gold Standard 6:	We have developed a suitable private rented sector offer for all client groups, including advice and support to both client and landlord			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	Registered Providers / HAP			
Resources	Within current resources.			
Action	Start Date	Completion Date	Output	Status
Ensure bond scheme / prevention fund continues to provide access to Private rented Sector (PRS) is not restricted to only those households in priority need	September 13	March 14	Review current policy and identify / implement improvements to increase sector take up	
Review PRS strategy to ensure it is linked to the homelessness strategy, wider housing strategy tenancy strategy and allocations strategies.	March 14	September 14	Evaluate PRS discharge policy to ensure effective.	
Review joint working arrangements with Housing Renewals Team to increase access to PRS.	January 14	March 14	Ensure protocol maximises outcomes for all clients.	
Ensure PRS tenants gain access to Discretionary Housing Payments via emerging triage service.	September 13	November 13	Review and evaluate triage process.	
Review Welfare Reform liaison officer role to maximise access to PRS.	September 13	March 14	Evaluate role and effectiveness in increasing access to PRS	
Develop referral routes into warm front type services to minimise fuel poverty.	September 13	March 14	Establish current offer and embed in service options	
Review involvement in Landlord hotline facilities operated by renewal team.	January 14	March 14	Ensure referrals to HSS to increase opportunity for prevention.	
Develop Ring before you serve notice service in partnership with	March 14	April 14	As above	

renewals team for private landlords seeking possession.				
Work with partners to develop availability of shared accommodation for under 35s at the LHA level	July 13	November 13	Research options and develop implementation plan	
Assess support available to landlords to convert or improve their properties for sharing and for managing shared tenancies.	July 13	On-going	As above	
Develop PRS offer via DKO to ensure PRS is accessible to those registered via Durham Key Options.	July 13	March 14	As above	
Consider availability of additional incentives to assist social tenants unable to afford their homes due to under occupancy charge to access to the private rented sector.	July 13	March 14	As above	

Action 7				
Objective:	1. To prevent homelessness for all in housing need across County Durham.			
Gold Standard :7	We actively engage in preventing mortgage repossessions including through the Mortgage Rescue Scheme			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	HAP			
Resources	Within current resources.			
Action	Start Date	Completion Date	Output	Status
Provide briefings for Housing Solutions and Customer Service to ensure basic knowledge of all options available to homeowners in debt via online Prevention Champions.	July 13	September 13	Review and update current training materials and develop delivery plan	
Provide briefing to partner agencies, stakeholders, and elected members on service to prevent repossessions.	September 13	Quarterly	As above	
Review website to ensure up to date - advice and information is accessible and available in a range of formats, including leaflets and posters that are available on reception and at partner agency receptions	November 13	March 14	Establish baseline / update and agree regular review.	
Ensure MRS and prevent repossessions included in prevention champions training provided to reception staff / switchboard / call centre staff have a basic understanding of the local response to people who are in mortgage arrears	July 13	September 13	Review and update current training materials and develop delivery plan	
Review media campaign promoting early intervention to assess effectiveness and Value for Money.	November 13	December 13	Review and evaluate current communications strategy and develop / implement improvements.	
Continue engagement in court users group to increase referrals from County Court Duty Scheme.	July 13	On-going	Review and update current training materials and develop delivery plan	
Continue regular meetings with zone agent to ensure access to	July 13	On-going	Confirm SPOC for HSS	

MRS completions for DCC.				
Review repossession loan fund and consider options for Credit union to deliver project further to include financial capability training.	July 13	September 13	Evaluate current scheme and consider options to ensure VFM	
Review any large scale closure of employers and ensure ability to offer onsite support to those facing redundancy	July 13	on-going	Work with Economic Development Team SPOC to monitor any employers.	

Action 8				
Objective:	1. To prevent homelessness for all in housing need across County Durham.			
Gold Standard 8:	We have a homelessness strategy which sets out a proactive approach to preventing homelessness and is reviewed annually so that it is responsive to emerging needs			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	HAP / RED / Regional Homelessness Group			
Resources	Within current resources.			
Action	Start Date	Completion Date	Output	Status
Review homelessness strategy annually with partners.	June 13	Annual	Establish process via HAP	
Review homelessness policy.	June 13	September 13	Review current policy and update to reflect service developments	
The document is 'live' and regularly updated on progress and this is available on the Council's website and monitored via the HAP	June 13	TBC	Agree review process with HAP, Third Sector & Housing Forum	
Review all leaflets and literature promoting access to the Housing Solutions Service.	July 13	August 13	Evaluate current material and update / disseminate	
Achieve Gold Standard Status:	November 13	March 15	Agree peer review process with 2 regional Las. Evaluate evidence form review and adopt in continuous improvement plan prior to application of GS	

Action 9				
Objective:1,2,3	1. To prevent homelessness for all in housing need across County Durham. 2. To ensure that services work in partnership to meet the holistic needs of all clients, including those with complex needs and / or those at risk of rough sleeping. 3. To ensure that sufficient, appropriate and affordable accommodation is available for people who are homeless or at risk of becoming homeless.			
Gold Standard 9:	We do not place any 16 or 17 year olds in B&B accommodation			
Lead Agency/Agencies	Andrew Burnip: Durham County Council			
Project Manager	Andrew Burnip			
Key Partners	HAP / Children & Adults			
Resources	DCLG Grant / within current resources.			
Action	Start Date	Completion Date	Output	Status
Continue to review effectiveness of JP via HTASS Steering group including provision of crash pads for 16/17 year olds.	January 14	March 14	Agree evaluation via HTASS commissioning group. Implement service improvements.	
Review Emergency Supported Lodgings Service to ensure no 16/17 year old is placed into B&B.	January 14	March 14	Agree evaluation via HTASS commissioning group. Implement service improvements	
Review Life Skills training, mediation and peer education services across the county to identify gaps and develop countywide service provision to localities with greatest need.	April 14	June 14	Review current provision. Agreed preferred delivery model. Locate funding and commission.	
Family Intervention Project continues to target families in need of holistic support and intervention.	July 13	September 13	Review referrals routes from HSS to FIP/ Family wise to increase training and employment outcomes.	
Review HTASS, Step Forward and Emergency Supported Lodgings Service to ensure effective in providing temporary accommodation options and move-on.	January 14	March 14	Agree evaluation via HTASS commissioning group. Implement service improvements	

Establish a pre eviction protocol panel for all supported housing providers.	September 13	October 13	Review current draft / establish consultation / implement improvements and monitor.	
Support the work of Youth Homelessness North East.	September 13	on-going	Review DCC pledges from Youth Homelessness Charter and agree actions.	
.				

Service Developments:

Over the past five years the Housing Solutions Service has developed the following services as part of an approach which emphasises early intervention and prevention of homelessness.

Rent Deposit Guarantee Scheme: To assist clients to find and maintain accommodation in the private rented sector linked to tenancy support. The scheme guarantees a bond up to the equivalent of four weeks rent.

Homelessness Prevention Fund: Offering financial assistance to prevent homelessness, part of a wider “spend to save” policy.

Enhanced Housing Support Protocol: Bringing advice, support and accommodation services together to tackle the causes of homelessness and create sustainable tenancies for vulnerable adults.

County Court Duty Scheme Referral Protocol: Enabling clients at risk of homelessness to access free, specialist legal advice at court to defend claims for possession.

Joint Protocol for 16-17 year olds: Ensuring a joint assessment of young peoples’ housing, advice, support, training and emotional needs, by Housing Solutions, Children and Young Peoples Service, One Point and the Youth Offending Service, to enable young people to return home, if safe do so, or to plan for independence.

Mortgage Rescue: Part of a national scheme to offer shared equity or conversion to social rented tenure for home owners who are struggling with their mortgage payments.

Possession & Repossession Loan Fund: Interest free loans for homeowners at risk becoming homeless through repossession or eviction to enable them to recover their position and remain in their home.

CLASP: Care Leavers Accommodation & Support Protocol. Ensuring a partnership approach to planning for young people leaving care.

Welfare Rights Worker: Service Level Agreement with Welfare Rights Service to provide a dedicated officer within the Housing Solutions Service to support clients to access appropriate benefits to ensure accommodation is affordable and sustained.

Hospital Discharge Protocol: Protocol developed with Lanchester Road Hospital in Durham to ensure early intervention and referral for patients with undergoing assessment and treatment for mental health problems to ensure appropriate accommodation is secured prior to discharge.

Personalisation Budget: Agreed protocol with supported housing and floating support providers to assist clients with high support needs to access supported housing or their own home with additional support as required. The protocol ensures those who may be excluded from services are able to gain access with additional support to manage any identified risk.

Specialist Debt Worker: Contract with Greater Durham Citizens Advice Bureau for a specialist debt worker to be based within the Housing Solutions Service offering specialist debt advice to clients who are homeless or at risk of homelessness due to debt related issues.

In House Remain Safe Service. From June 2012 the Remain Safe Service has been delivered by Direct Services following a review of the DISC service resulting in decommissioning to provide increase value for money and outcomes. The new service is jointly funded with the Safe Durham Partnership.

Step Forward: Accommodation & Support Service. Tender awarded in May 2012 to Stonham seeing 14 x two bed roomed properties leased and managed by the service provider offering floating support to young people moving on from supported housing and those in need of an intermediate supported housing offer.

Adults Facing Chronic Social Exclusion Pilot: Street outreach services across County Durham to rough sleepers to ensure those facing chronic social exclusion are supported to access a range of services and safe, supported accommodation. .

Regional through the Gate Service: Service jointly commissioned by the 12 regional Local Authorities and the Regional Offender Management Service. The service ensures support to maintain and secure accommodation for those who have a history of repeat offending and homelessness if delivered to clients leaving HMP Durham, Holme House and Low Newton. The service was awarded to Foundation and commenced in November 2012.

Emergency Supported Lodgings: Following a review of the Night Stop Service, it was decided to decommission and reinvest funding in an Emergency Supported Lodgings Service operated by Children and Young Peoples Service for 16-17 year olds. This resulted in an increase in providers and the potential to increase the ability for placements to increase from three nights to three weeks. The service has been further be extended to accommodate those 18-35 years old from 1st July 2013.

Service Review & Diagnostic: With assistance from Planning and Performance, the service participated in a service review and diagnostic assessment to determine overall performance, recommended improvements linking into the continuous service improvement plan. The resulting report and recommendation have been adopted in the service plan for 2013/14. Resulting from this work a new post of Service Development & Improvement Manger was created to ensure recommendations for continuous improvement are adopted by the service.

Mortgage Rescue Officer: A dedicated Officer to assist home owners at risk of repossession by way of referral to the Mortgage Rescue Scheme or allocation of Repossession Loan Fund.

Allocations Policy: A review of the allocations policy has been completed to reflect new statutory guidance and provisions within the Localism Act. The new allocations policy has now been adopted together with the power to discharge homeless duty into the private rented sector.

Housing Solutions Officer: Integrated Offender Management: We have a dedicated Housing Solutions Officer based with the Integrated Offender Management Service offering advice and support to secure accommodation for Priority and Prolific Offenders.

Housing Triage: Protocol with a range of partners, including Housing Providers and Customer Services to ensure households affected by Welfare Reform changes are referred to the most appropriate solution, including advice and support on training, employment, debt, welfare rights and Discretionary Housing Payments.

HTASS: Holistic Temporary Accommodation and Support Service is to provide a flexible person centred accommodation and support service that meets the authority's temporary accommodation duties under the homelessness legislation and provides added value which addresses the broader needs of the client to prevent future homelessness, maximise life opportunities, reduce social isolation and exclusion and promote improved health and wellbeing. HTASS includes:

- Temporary Accommodation & Support
- Joint Protocol for 16/17 years olds
- Crash Pads, including provision for care leavers
- Private Sector accommodation development

This page is intentionally left blank

**Economy and Enterprise
Overview and Scrutiny Committee**

27 February 2014

**Update on Members' Reference Group
– Implications of changes in
Government funding and policy on the
economy of County Durham**



Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose of the Report

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with background information on the progress of the Members' Reference Group looking at the implications of changes in Government funding and policy on the economy of County Durham.

Background

- 2 The Reference Group was established as a result of members' concern at changes in policy and funding that was being introduced by Government and how that would impact upon the economy of County Durham. This had been highlighted as an area for inclusion in the 2012/13 work programme of the Economy and Enterprise Overview and Scrutiny Committee.
- 3 At the meeting of the Economy and Enterprise Overview and Scrutiny Committee held on the 24 June 2013 during the consideration of the work programme reference was made to the Members' Reference Group which had been established in January, 2013 to look at the impact of changes in Government funding and policy on the economy of County Durham. It was explained that the Reference Group had met only once on the 10 January 2013 where the decision had been taken by Members that any further meetings would be held following the May 2013 election when the membership of the Group would be refreshed.
- 4 Following the May election the group has had seven meetings with an update provided to the Economy and Enterprise Overview and Scrutiny Committee at the meeting on the 21 October 2013 which provided Members with detail of the scrutiny activity undertaken by the Reference Group at meetings held in June, July and October, 2013.
- 5 The final meeting of the Reference Group was held on the 28 January 2014 and it was thought timely that the committee receives an update on the progress with a view to the final report of the Members' Reference Group being considered by the Economy and Enterprise Overview and Scrutiny Committee at the meeting on the 7 April 2014.

- 6 Arrangements have therefore been made for a short presentation to be provided to the Economy and Enterprise Overview and Scrutiny focusing on:
- Background.
 - Approach.
 - Key issues.
 - Recommendations
 - Next Steps.

Members' Reference Group - activity

- 7 The first meeting of the Members' Reference Group on the 25 June 2013 consisted of an overview presentation, setting the scene for Members providing information on the economic context, funding and investment examples, a suggested approach to analysing the impact and suggested next steps. In addition, the Members agreed the terms of reference for the group including key lines of inquiry and the project plan.
- 8 At the second meeting of the group held on the 18 July 2013 the focus was on the scale of the changes in Government funding, looking at the impact on a national basis and comparing this to the impact in relation to County Durham including the impact of funding and policy changes on the public sector. This session helped to identify gaps in resources looking at previous funding provision and comparing it to current levels of funding provision.
- 9 The third meeting of the Reference Group was held on the 16 October 2013 and provided a summary of the following:
- What had been affected? – Identification of various policy areas relating to the economy which have been affected by changes in Government funding.
 - Where within the County had been affected? – Assess the impact of changes in Government funding and policy on the various communities within County Durham.
 - Who had been affected? – An overview identifying who has been affected.
- 10 At the fourth meeting of the Group on the 18 November Members were provided with information on work currently being undertaken by Durham County Council and partners to tackle the impact of changes in Government funding and policy within County Durham focusing on interventions in relation to employment and business support.
- 11 The fifth meeting of the Group focused on the interventions and support provided by Jobcentre Plus in relation to getting people back into employment and various initiatives to support business.
- 12 In addition, at the meeting of the Economy and Enterprise Overview and Scrutiny Committee on the 9 December 2013 Members received a report from Business Durham which highlighted the support they currently offer to large and small companies within County Durham. It was felt by Members that the information provided by Business Durham identifying current business support should be included within the final report of the Members' Reference Group.

- 13 During the early stages of scoping the project it was determined by the Members Reference Group that they would visit a partner within County Durham to see ‘first-hand’ the work currently being undertaken in relation to business support and increasing employment opportunities. On the 13 January 2014 the Members’ Reference Group visited Bishop Auckland College to see how they develop training to meet the needs of employers and improve the employment opportunities for communities within County Durham.
- 14 The last meeting of the Members’ Reference Group was held on the 28 January and involved identifying the key issues for members from the work undertaken and the determination of recommendations.

Next Steps

- 15 The draft report has been shared with the Members of the Reference Group for consideration and comment. The comments made have been incorporated into the report which will be considered by the Assistant Chief Executive’s Management Team and the Regeneration and Economic Development Management Team. The report will then be considered by the Economy and Enterprise Overview and Scrutiny Committee at the meeting on the 7 April 2014 before it is shared with the relevant Cabinet Portfolio Holders.

Recommendations

- 16 That the Members of the Economy and Enterprise Overview and Scrutiny Committee note the information provided in the report and presentation.
- 17 That the Economy and Enterprise Overview and Scrutiny Committee receive the final report of the Members’ Reference Group at the meeting on the 7 April 2014.

Background papers:

- Member’s Reference Group – Implications of Government funding and policy changes on the economy of County Durham – Terms of Reference and Project Plan – meeting on the 25 June 2013.
- Presentations from the Member’s Reference Group meetings held on the 25 June, 18 July, 16 October, 18 November and 5 December.
- Report to the Economy and Enterprise Overview and Scrutiny Committee on 9 December 2013 – Business Support and the role of Business Durham.
- Presentation by Bishop Auckland College – 13 January 2014.

Contact:	Stephen Gwilym, Principal Overview and Scrutiny Officer	
Tel:	03000 268 140	E-mail: stephen.gwilym@durham.gov.uk
Author:	Diane Close, Overview and Scrutiny Officer	
Tel:	03000 268 141	E-mail: diane.close@durham.gov.uk

Appendix 1: Implications

Finance – It is intended that the information considered by the Member’s Reference Group and any resulting recommendations will be used by the Service Grouping to determine/target future provision including funding.

Staffing - None

Risk - None

Equality and Diversity – An Equality Impact Assessment may be required to be undertaken by the Service Grouping carrying out the implementation of the recommendations.

Accommodation – None

Crime and Disorder - None

Human Rights - None

Consultation - None

Procurement - None

Disability Discrimination Act - None

Legal Implications - None