



**Economy and Enterprise
Overview and Scrutiny Committee**

Date Monday 24 June 2013
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 meeting held 5 April 2013 (Pages 1 - 8)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Quarter 4, 2012/13 Performance Management Report: (Pages 9 - 32)
Report of the Assistant Chief Executive – Gemma Wilkinson, Performance and Improvement Team Leader, Regeneration and Economic Development
7. Update on Masterplans: (Pages 33 - 36)
 - (i) Joint Report of the Assistant Chief Executive and Corporate Director of Regeneration and Economic Development
 - (ii) Presentation – Chris Myers, Regeneration Projects Manager, Julie Anson and Jackie Donnelly, Community Economic Development Team Leaders, Regeneration and Economic Development
8. Update on the Work of the County Durham Economic Partnership: (Pages 37 - 40)
 - (i) Joint Report of the Assistant Chief Executive and Corporate Director of Regeneration and Economic Development
 - (ii) Update on the work of the County Durham Economic Partnership – presented by Sue Parkinson, Vice-Chair, County Durham Economic Partnership

P.T.O.

9. Improving Economic Governance in the North East Local Enterprise Partnership (LEP) Area and North East Independent Economic Review Findings: (Pages 41 - 52)
 - (i) Joint Report of the Assistant Chief Executive and Corporate Director of Regeneration and Economic Development
 - (ii) Presentation – Maria Antoniou, Spatial Policy Team Leader, Regeneration and Economic Development
10. Refresh of the Work Programme for the Economy and Enterprise Overview and Scrutiny Committee: (Pages 53 - 62)
Report of the Assistant Chief Executive – Diane Close, Overview and Scrutiny Officer
11. Minutes of the County Durham Economic Partnership meeting held 13 May 2013 (Pages 63 - 68)
12. 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
14 June 2013

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, G Mowbray, H Nicholson, R Ormerod, J Rowlandson, M Simpson, P Stradling, O Temple, A Willis and S Zair

Co-opted Members:

Mr T Batson, Mrs O Brown, Mr A Kitching 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 **Friday 5 April 2013** at **10.00 am**

Present:

Councillor J Moran (Chair)

Members of the Committee:

Councillors J Armstrong, B Arthur, C Carr, A Naylor, J Rowlandson, P Stradling, M Wilkes, M Williams and A Willis

Co-opted Members:

Mrs O Brown and Mr A Kitching

Also Present:

Councillor R Todd

1 Apologies for Absence

Apologies for absence were received from Councillors J Cordon, J Hunter, P Jopling and Andy Turner and Mrs A Harrison and Mr JB Walker.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meeting held on 14 January 2013 were agreed by the Committee as a correct record and signed by the Chair.

The Chair noted that this was the last meeting that he and the Vice-Chair, Councillor A Naylor, would be Chair and Vice-Chair of the Committee. The Chair took the opportunity to thank Councillor A Naylor for her stalwart support and also Councillor B Arthur who was Vice-Chair of the previous Committee, the Building a Strong Economy Scrutiny Committee.

The Chair and Vice-Chair thanked the Co-opted Members for their support and contribution, and also noted their appreciation of the input from Partner Organisations and Outside Bodies.

The Chair and Vice-Chair asked the Committee to note their thanks to the Officers from Durham County Council, in attending the meetings and answering the questions from the Committee. Finally, the Chair and Vice-Chair thanked the Officers from the Overview and Scrutiny Team associated with the Committee, Feisal Jassat, Diane Close and Stephen Gwilym for their hard work and professionalism.

Councillor J Armstrong reiterated the words of the Chair and Vice-Chair and suggested that a Member who had been ill recently, was sent a card noting the best wishes of the Committee.

4 Declarations of Interest

There were no Declarations of Interest.

5 Items from Co-opted Members or Interested Parties

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

6 Quarter 3, Revenue and Capital Forecast of Outturn 2012/13

The Chair introduced the Finance Manager, Resources, Azhar Rafiq who was in attendance to speak to Members in relation to the Quarter 3, Revenue and Capital Forecast of Outturn 2012/13 (for copy see file of minutes).

The Finance Manager noted the areas reported upon would be 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 £615,000 for 2012/13 based on the Quarter 3 forecast outturn. Members noted the major under spend fell within Planning and Assets, with the detailed explanations as set out within the report. The Committee learned that there was improvement with the Building Control position, underachievement in relation to income from property in assets, mitigated by savings in staffing costs and other income generation.

The Committee noted that the HRA was on track; with the main items of note being overspends on repairs and maintenance due to the inclement weather conditions and also from costs as a result of some specific gas boilers that were out of warranty in the Durham City area. Councillors were reminded of the usual volatility reporting arrangements, noting improvements in the position regarding Planning fees and concessionary fares.

As regards the Capital Programme, the Finance Manager explained that the budget now stood at approximately £95.380 Million split between the General Fund (~£49.907 Million) and HRA (~£45.473 Million) with the spend for the first 9 months being approximately £61.616 Million, 65% of the total revised budget. It was stated that the first 6-7 months of the General Fund capital budget usually had a lower profile of spend when compared to the later months of the financial year. Members noted some of the areas of the programme including the refinancing of Newcastle International Airport Limited, Durhamgate, Housing renewal and the Local Transport Plan.

The Chair thanked the Finance Manager for his presentation and asked Members for their questions on the Quarter 3 2012/13 report.

Councillors raised issues as regards the overspends in the agency costs in transport, decreased CRB income, underachievement on property income in town centres and the scheduling of boiler repairs in order to have them functioning and in place to help reduce winter fuel bills.

The Finance Manager noted that the agency staff was a short-term support whilst staffing was being reviewed, with this matter being addressed. It was added that the CRB income related to Home to School transport and that the value was lower than previous years. The Finance Manager noted that there would be a planned programme for the next financial year in respect of boiler repairs/replacements.

Councillor M Wilkes referred to the position relating to the overspend on the Durhamgate project and noted his concerns as regards Members not being informed of overspend earlier and Members not being given a breakdown of the costs. The Finance Manager noted that a report on the matter would be brought to Cabinet in due course, with the Head of Strategy, Programmes and Performance, Andy Palmer adding that as the matter was subject to an ongoing legal issue; there was a need to await the outcome prior to information being brought forward. The Head of Strategy, Programmes and Performance noted that the project would lever in around £200 Million of private sector investment. Councillor M Wilkes accepted that there was the issue of the ongoing legal matter, however, reiterated that Members should have been informed earlier, with the relevant Portfolio Holder having been involved, and that it could be for the Scrutiny Committee to strongly request the Portfolio Holder to attend a future meeting in this regard.

Resolved:

That the report be noted.

7 Quarter 3, 2012/13 Performance Management Report

The Chair introduced the Performance and Improvement Team Leader, Gemma Wilkinson who was in attendance to speak to Members in relation to the Quarter 3, 2012/13 Performance Management Report (for copy see file of minutes).

The Performance and Improvement Team Leader noted the information in the report related to the period October 2012 to December 2012 and reminded Members of the different types of indicators reported, Tracker indicators and Target indicators. Councillors noted that some of the achievements in Quarter 3 included non-decency levels for Council properties being ahead of target; the number of properties being brought back into use being on target and good progress being made in respect of Apprenticeships, the Economic Regeneration Manager, Graham Wood noting that the overall figures for apprentices would be higher by the year end. The Committee learned that £309,000 of funding had been received from the Department of Energy and Climate Change as regards energy efficiency measures and group repairs at Craghead, and noted there was potential for further British Gas Eco Funding which could facilitate works to a further 68 properties.

Members were reminded of the ongoing Stock Option Appraisal project, noting submission of the Stock Transfer Prospectus to the Department of Communities and Local Government, the outcome to be reported to Cabinet in summer 2013.

It was added that key performance issues going forward included: major planning applications, noting a benchmarking process with other comparable Local Authorities would be undertaken; occupancy of County Council business premises; Council Plan actions; and the programme of Capital Works for Regeneration and Economic Development (RED). Members noted the Tracker Indicators set out within the report including the decline in the employment rate, the fall in the number of housing completions, a reduction in the number of retailers in Durham City. The Committee were reminded of the key risk to the objectives of the Altogether Wealthier theme was the potential impact if repairs to the Seaham North Pier were not undertaken.

The Chair thanked the Performance and Improvement Team Leader and asked Members for their questions.

Members noted issues in relation to the Tracker Indicator that referred to the number of top retailers in Durham City and whether out of town facilities were impacting negatively on the City Centre; the number of affordable homes being built; whether the sale of land to Developers with a “pay upon completion” clause could help to kick-start building, barriers at the Gala Theatre; and the percentage of the working age population currently not in work who wanted a job. The Performance and Improvement Team Leader noted she believed that works to the Gala were internal, however this could be confirmed. The Head of Strategic Programmes and Performance noted that the information used to determine the Tracker Indicator as regards the percentage of the working age population currently not in work who wanted a job was gathered from a 10% sample survey.

Councillor B Arthur asked whether the future budget referred to as regards the North Pier at Seaham was the Seaham Harbour North Dock Company and Durham County Council (DCC) or DCC alone. The Head of Strategic Programmes and Performance noted that he would seek clarification on this matter.

Councillor M Wilkes noted for the future work programme of the Committee the issue of Business Asset Stock could be looked at, with perhaps looking at how other Local Authorities boost use of their units. The Chair noted the suggestion and added that while the Work Programme was on the agenda, the Work Programme would be looked at in June by the new Committee.

Resolved:

That the report be noted.

8 Update on the Housing Solutions Service

The Chair introduced the Housing Solutions Manager, Lynn Hall who was in attendance to give Members an update as regards progress made by the Housing Solutions Service (for copy see file of minutes).

The Housing Solutions Manager referred Members to the report within the agenda papers and reminded Councillors that the Housing Solutions Service had responsibility for homelessness and housing advice, Durham Key Options (DKO) which had been reported to Committee previously, the Family Wise programme and the Family Intervention Service (FIS). It was noted that the FIS, previously known as the Family Intervention Project (FIP), had received funding for a further 18 months.

The Housing Solutions Manager added that some of the key issues coming through included rough sleepers and the increase in the number of homeless presentations. It was added that an increase in presentations did offer the opportunity to help people early on in order to help prevent homelessness occurring. Members noted that the most significant issue for the future would be implications from Welfare Reform changes and noted initiatives such as "Housing Triage"; a temporary Private Landlord Officer and work as regards mutual exchanges of properties in light of under-occupancy as some of the actions being taken.

Councillor J Armstrong noted the good work being undertaken with Housing Providers and noted that issues with the economy in general meant that there was a need to ensure the most vulnerable in our society were protected. It was added that Welfare Reform could be an issue that could be looked at in some form within the Work Programme for the Committee.

Resolved:

- (i) That the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further update on the work of the Housing Solutions Service as part of the refresh of the Committee's Work Programme 2013 – 2015.

9 Refresh of the Work Programme for the Economy and Enterprise Overview and Scrutiny Committee

The Chair introduced the Overview and Scrutiny Manager, Feisal Jassat who was in attendance to speak to Members as regards the Refresh of the Work Programme for the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes).

The Overview and Scrutiny Manager thanked the Chair and noted that there was a two stage process, starting with a steer from current Members, taking on board the Council Plan 2013 – 2017, agreed by Council in February, and the Partnership Plans and Strategies in place. The Overview and Scrutiny Manager added that Councillor J Armstrong had mentioned Welfare Reform as an issue and Councillor M Wilkes had noted DCC Business Units as possible topics to look at.

Councillors noted that the second stage would be to bring back a further report to the Committee in June for Members' consideration.

Councillor J Armstrong noted that there was a need for new Members to "take ownership" of the direction for the Committee. The Overview and Scrutiny Manager noted that there would be Overview and Scrutiny sessions as part of the new Members' induction programme in order to help them understand the role of Overview and Scrutiny and the relevant issues for each of the Committees.

Resolved:

- (i) That the report and information contained within Appendix 2 to the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee refresh the Work Programme for 2013 – 2015 as discussed.
- (iii) That the Economy and Enterprise Overview and Scrutiny Committee receives a further report detailing the Committee's Work Programme for 2013 – 2015 at its meeting to be held 24 June 2013.

10 Update - Increasing Young People's Employment Opportunities (18-24) within County Durham

The Chair introduced the Economic Regeneration Manager, Graham Wood who was in attendance to update Members as regards the Committee's Review Report: "Increasing Young People's Employment Opportunities (18-24) Within County Durham" (for copy see file of minutes).

The Economic Regeneration Manager explained the update would focus on the work undertaken, ongoing or planned, in relation to the recommendations as made by the Committee in its Review Report. Councillors were reminded of the disconnect that existed preventing the smooth flow from education into work and were informed of work ongoing with the Children and Adults Services Directorate and Business Durham in helping to identify and remove barriers preventing this flow. The Committee noted that this would be via European Social Fund (ESF) projects, with a 2 year extension to funding having been secured and the project being out to tender.

Members were reminded that employment, and youth employment, remained as a high priority for most of the Area Action Partnerships (AAPs) and referred Members to Appendix 3 which gave an update on their activities.

The Committee were informed of the work of the County Durham Economic Partnership (CDEP) and noted that the CDEP had given a presentation to the County Durham Partnership (CDP) as regards the role of DCC's CAS and Regeneration and Economic Development (RED) Directorates in joint working relationships. Members were reminded of Targeted Recruitment and Training (TRT), working with Partners and enabling opportunities via procurement.

Councillors noted pre-employment programmes and also Business Administration apprenticeships within DCC and apprenticeships and employment opportunities with Housing Providers, including a Social Enterprise setup by East Durham Homes.

The Economic Regeneration Manager explained that there had been events at school Parents Evenings with CAS and RED helping to provide information, advice and guidance in respect of apprenticeships. Members were reminded of the visit to South West Durham Training (SWDT) and the work they were doing in conjunction with partners in respect of becoming a universal technical college for manufacturing and engineering and of the provision of Youth Contract and Work Programme schemes via Derwentside Training and Groundwork North East.

The Committee learned that there had been 145 payments to 139 employers in respect of the Youth Contract up to 5 December 2012 via the National Apprenticeship Service (NAS) and noted the success of this in County Durham, with 96% of those employers noting they would employ an apprentice in the future.

The Chair thanked the Economic Regeneration Manager and asked Members for their questions.

Councillors asked questions on issues of AAP activities in relation to youth employment; of funding as regards the Infinite Weld Academy; the publicity of the successes of schemes and the good work being undertaken by DCC and partners. The Economic Regeneration Manager explained that each AAP set their priorities, albeit there was work ongoing as regards youth employment. It was added that DCC had supported the Task and Finish Group at the East Durham AAP as regards the Infinite Weld Academy Expansion, not financially, rather in helping to identify other funding sources. Members were reminded that many press releases are issued as regards the successes and activities being undertaken; however the decision to publish was ultimately a decision for the press themselves.

Resolved:

- (i) That the progress made in relation to the 12 recommendations contained in the Scrutiny review report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee at its meeting on the 9 December 2013 receive a further report detailing progress made against the recommendations contained in the Scrutiny review report.

11 Minutes of the Meeting of the County Durham Economic Partnership

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

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24 June 2013

Quarter 4 2012/13
Performance Management Report

Report of Corporate Management Team
Lorraine O'Donnell, Assistant Chief Executive
Councillor Simon Henig, Leader

Purpose of the Report

1. To present progress against the council's corporate basket of performance indicators (PIs) and council plan actions for the Altogether Wealthier theme and report other significant performance issues for 2012/13.

Background

2. This is the end of year corporate performance report of 2012/13 for the council. The report contains information on key performance indicators, risks and Council Plan progress.
3. Key performance indicator progress is reported against two indicator types which comprise of:
 - a. Key target indicators – targets are set for indicators where improvements can be measured regularly and where improvement can be actively influenced by the council and its partners; and
 - b. Key tracker indicators – performance will be tracked but no targets are set for indicators which are long-term and/or which the council and its partners only partially influence.
4. A summary of key performance indicators is provided at Appendix 3. More detailed performance information and Altogether theme analyses are available on request from performance@durham.gov.uk.

Developments since last quarter

5. Extensive work has been undertaken by all services to develop the draft 2013/14 corporate indicator set and 4-year targets (where applicable). Appendix 4 sets out the proposed measures to be used to monitor progress towards achievement of the council's priorities as set out in the 2013-17 Council Plan. The proposed indicator set is based around our six Altogether priority themes and will be used to measure the performance of both the council and the County Durham Partnership. All Members have been invited to have input into this process through an Overview and Scrutiny Management Board (OSMB) workshop held on 14 March 2013 and their views have been incorporated in the final indicator set. The key outcomes from the OSMB workshop are provided at Appendix 5. The new basket of performance indicators together with targets will form the basis of the quarterly performance monitoring reports from quarter 1 2013/14.

6. Specific changes to note in respect to the proposed corporate indicator set include:
 - a. This year has seen a number of satisfaction indicators removed from the corporate indicator set mainly due to intervals that surveys are carried out. Options are being considered to report measures of satisfaction through another process.
 - b. The corporate indicator set contains a number of proposals for measuring the impact of welfare reform changes in County Durham as they are rolled out throughout the year. This will enable the effects to be reported through the quarterly performance reports. Some of these indicators are already measured but others are new proposals.
 - c. There will also be a stronger focus this year on input measures in our performance framework. This will allow us to better quantify productivity in the forthcoming year and to monitor the effects of reductions in resources and increases in volume driven by the economic situation and national policy changes such as welfare reform.
 - d. In setting targets for the forthcoming 4 years it is acknowledged that in some areas aspirations are less challenging for the forthcoming year compared to previous years. In these areas targets have remained static or are set below the previous year targets or performance rather than showing a continuing improvement trend. Services have advised that some targets have been set as a threshold and the focus is on maintaining performance in light of the economic climate and funding reductions.
7. An indicator specification document is available from the document library on the Councillors Intranet homepage at: <http://intranet/sites/Councillors/default.aspx>. The document details all definitions in relation to the performance indicators within the corporate set and highlights any known data quality issues.

Altogether Wealthier: Overview

Performance indicators				
	Red	Amber	Green	N/A
Direction of travel	2 (18%)	0 (0%)	9 (82%)	2
Performance against target	1 (10%)	0 (0%)	9 (90%)	3

Actions				
	Red	Green	White	Deleted actions
Performance against target	9 (22%)	22 (52%)	10 (24%)	1 (2%)

Council Performance

8. Key achievements this quarter include:

- a. The proportion of council housing stock currently classed as non-decent shows very positive performance at quarter 4. Following continuous high performance this year, East Durham Homes have improved at a significant rate with a reduction to 41% exceeding the annual target of 45%. In quarter 4, 322 properties were made decent, resulting in 4,921 properties being decent out of a total stock of 8,340. Dale and Valley Homes have also surpassed their target of 1.8% with an outturn of 0.59%, resulting in only 25 properties not being decent. The 2013/14 capital programme is in place and will ensure these remaining Dale and Valley Homes properties are made decent by August 2013. Durham City Homes have completed their 2012/13 capital programme therefore returning their level of non-decency to 0% for the second year running.
- b. The number of empty properties brought back into use as a result of local authority intervention has exceeded the 2012/13 target of 50 with an outturn of 56. This is also an increase on 2011/12 which saw 44 properties being brought back into use. Work has focused on the regeneration and selective licensing areas and joint working with registered providers has contributed to the target being achieved.
- c. The percentage of major planning applications determined within 13 weeks during quarter 4 was 94.3%, which is a significant improvement on performance throughout the year which started at 68.8% at quarter 1. In quarter 4 this meant that 33 out of 35 applications were determined in 13 weeks. This gives an end of year outturn of 75.6%, which although below the target of 79.9%, is a significant improvement against the 2011/12 outturn of 64%.
- d. In terms of Council Plan actions, progress has been made with the development, delivery and support of new signature events such as Lumiere and the Lindisfarne Gospels. The Lindisfarne Gospels was launched successfully on 20 March 2013 with significant media coverage achieved, both regionally and nationally. It is expected to attract up to 200,000 visitors this summer.
- e. In relation to service plan actions, the implementation of the Durham City Homes Improvement Plan for 2012/13 has seen the majority of actions completed. Through this, Durham City Homes have successfully completed and reviewed their neighbourhood involvement pilots and have scheduled two tenants conferences to be held in 2013/14 which will further develop the successes that have been seen as part of this work. A number of energy efficiency pilots across the housing stock have also been implemented including piloting air source heat pumps and permanent ventilation systems.
- f. Since April 2012 a programme of regeneration in Consett has delivered improvements to seven buildings as part of the targeted business improvement programme enabling nine jobs to be created and 22 safeguarded. These buildings included a private housing property with the remaining either business or charity premises.

- g. Through phase one of the council's apprenticeships scheme there have been 188 apprenticeship starts and there are currently 169 on the scheme. Within Regeneration and Economic Development there have been 21 apprenticeships established, and Apprenticeship Week was held successfully in March 2013. Through the delivery of the European Social Fund NEETS Contract in 2012/13, there have been 39 engagements and 15 completions; of which, seven progressed into further learning and eight into employment / apprenticeships.
 - h. In terms of maintaining and developing business and support services specific to innovative, high growth and strategic companies, this is the first year of operations in which NETPark Net has been without European grant support and it has retained a healthy level of commitment from NETPark Net members and sponsors. Particularly successful was the recent Spacetech event generating very positive feedback and a clear framework for attracting more opportunities in the space sector for County Durham companies. NETPark Net has had a positive effect on occupancy. Offering virtual offices as part of pre-incubation has led to three companies starting, taking virtual office facilities then graduating to premises.
 - i. Following the launch of the Business Innovation Gateway as a method of integrating the innovation support from Durham University, client feedback has led to the redesign of the website making it easier for companies to access these services.
9. The key performance improvement issues for this theme are:
- a. Occupancy levels of council owned factories and business support centre floorspace have seen a slight improvement from previous quarter but still remain below target and the same period last year. Quarter 4 shows 73% occupancy compared to a 76% target and 75% same period last year. The quarter shows an increase in occupancy at NETPark and factory space at Tudhoe.
 - b. There are nine Council Plan actions in this theme behind target, key ones include:
 - i. Public Realm works at St Johns Square, Seaham were due to be completed by May 2013. This will now be delayed until September 2013 whilst design plans for the land are finalised.
 - ii. Physical improvements enhancing links to Clifford Road retail stores, Stanley and the Academy were due for completion by March 2013. This has been delayed until March 2014 due to slippage in the Clifford Road Re-Development Programme (Retailer led).
 - iii. Supporting major retail development at Queen Street, Crook was due to be completed by December 2013 but has been postponed until October 2015 due to delays with the re-development scheme. There is continued liaison with the developers and highlighting of opportunities to interested end users.
 - iv. The Local Transport Plan capital improvement schemes to improve accessibility between our main towns was due for completion by June 2013. There is a minor delay regarding land acquisition for an extension of the park and ride site at Sniperley.
 - v. The successful consultation and completion of the County Durham Plan was due by July 2014. Following on from the extensive consultation on the preferred options, work is now taking place to prepare the Publication Draft Plan. Through on-going forward planning the timescale has been revised to December 2014. Within this an estimated amount of time has been allowed for the examination in public as it is unclear how long this could take.

- c. The service plan action to develop and implement a region wide multi-operator ticketing product available for local travel, making it easier for people to access training and employment, has been delayed pending the Department for Transport guidance. It is now anticipated to be completed by June 2013. This was recently highlighted in the Adonis Report (North East Independent Economic Review) as a regional priority.
10. Tracker indicators for this priority theme (see Appendix 3, table 2) show:
- a. The employment rate continues to decline. At December 2012 only 65.1% of people aged 16-64 in County Durham were in employment compared to the national figure of 70.9%. The proportion of the working age population currently not in work who want a job stands at 16.45%.
 - b. The drop in the number of Job Seekers Allowance (JSA) claimants aged 18-24 seen at quarter 3 continued this quarter with numbers dropping from 5,115 in quarter 3 to 4,955 in quarter 4. However these figures remain high and intense competition in the labour market is reducing access to employment opportunities.
 - c. The number of JSA claimants claiming for one year or more has continued to increase this quarter from 4,920 at quarter 3 to 5,055 at quarter 4. This represents 32.33% of all JSA claimants.
 - d. The number of passenger journeys recorded on the Durham City Park and Ride service has dropped slightly in quarter 4 and for the whole of 2012/13. 251,925 passenger journeys were undertaken in quarter 4 which brings the annual total to 1,113,937. This compares to 279,934 in quarter 4 and 1,167,708 annual total in 2011/12. The decrease seen in quarter 4 is mainly due to inclement weather in March.
 - e. Overall net housing completions at quarter 4 stands at 354. This represents a slight increase in house building activity overall. Of the 354 net completions, 157 (44.3%) are affordable units and 161 (45.5%) are located within the county's major settlements. Recent monitoring has confirmed that there are still a number of planning permissions yet to be implemented, again a consequence of continuing economic downturn.
 - f. During quarter 4 the number of housing solutions presentations has increased to 1,761 from 1,437 reported at quarter 3. However, the number of homeless applications has decreased to 247 compared to 264 at previous quarter, although this is a slight increase on the same period last year (242). The number of homeless acceptances has also fallen to 65 this quarter compared with 75 at previous quarter. The number of prevention cases has continued to increase to 344 from 302 reported at quarter 3.
 - g. The proportion of children in poverty remains high and has not declined substantially since the start of the credit crisis in 2008. Latest data available for August 2012 indicate that the proportion of children in poverty remains static with previous quarter at 24.8%. However, a slight increase is shown compared with 12 months earlier (24.4%). This proportion remains higher than the England average (20.1%) but lower than the equivalent North East figure (25.8%). The dataset used to compile these data will not be available after universal credit is implemented in October 2013, and the Government has consulted on a new measure.
11. New developments this period within this priority theme relate to:
- a. External funding totalling £300,000 has been secured from the Department for Transport towards the cost of building a new cycle/walk route between Shildon to Aycliffe. Following the existing rail line, this path will provide a much needed safe and direct link between the two communities. This will improve access to existing and planned job and training opportunities.

- b. The Housing Solutions team has successfully worked in partnership with HTASS (Holistic Temporary Accommodation Support Service) in reducing the number of people who are homeless and require emergency accommodation. The aim, in partnership with HTASS, is to place people directly into self-contained temporary accommodation and only use bed and breakfast in exceptional cases. The impact of welfare reform is likely to affect the demand for temporary accommodation, as an increasing number of people present to the service with a housing need as a result of the changes.
12. The key risk to successfully delivering the objectives of this theme is *coastal erosion and improved environment may be adversely impacted if a programme of repairs to Seaham North Pier is not undertaken*. Management consider it possible that this risk may occur, and to mitigate the risk, funds will be allocated in future budgets for the design and undertaking of repairs to the structure.

Recommendation

13. That the Economy and Enterprise Overview and Scrutiny Committee receive the report and consider any performance issues arising there from.

Appendix 1: Implications

Finance

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

Staffing

Performance against a number of relevant corporate health PIs has been included to monitor staffing levels and absence rates.

Risk

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

Equality and Diversity/Public Sector Equality Duty

Corporate health PIs and key actions relating to equality and diversity issues are monitored as part of the performance monitoring process.

Accommodation

Not applicable

Crime and Disorder

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

Human Rights

Not applicable

Consultation

Not applicable

Procurement

Not applicable

Disability Issues

Corporate health PIs and key actions relating to accessibility issues and employees with a disability are monitored as part of the performance monitoring process.

Legal Implications

Not applicable

Appendix 2: Key to symbols used within the report

Where icons appear in this report, they have been applied to the most recently available information.

Performance Indicators:

Direction of travel

Latest reported data have improved from comparable period

GREEN

Latest reported data remain in line with comparable period

AMBER

Latest reported data have deteriorated from comparable period

RED

Performance against target

Performance better than target

Getting there - performance approaching target (within 2%)

Performance >2% behind target

Actions:

WHITE

Complete. (Action achieved by deadline/achieved ahead of deadline)

GREEN

Action on track to be achieved by the deadline

RED

Action not achieved by the deadline/unlikely to be achieved by the deadline

Benchmarking:

GREEN

Performance better than other authorities based on latest benchmarking information available

AMBER

Performance in line with other authorities based on latest benchmarking information available

RED

Performance worse than other authorities based on latest benchmarking information available

Appendix 3: Summary of Key Performance Indicators

Table 1: Key Target Indicators

Ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Wealthier										
1	% of users who felt the cultural events were "good" or "very good" (BRASS festival)	96%	Jul 2012	85%	GREEN	90%	GREEN			
2	Attendance figures at cultural activities (museums, Gala, BRASS, Book Festival)	490,353	Apr-Dec 2012	400,859	GREEN	459,559	GREEN			
3	Apprenticeships started through Durham County Council funded schemes	188 (amended)	Nov 11 - Nov 12	111	GREEN	New indicator	N/A			
4	% of enrolments on adult learning courses leading to qualifications	96.5% [4]	2011/12 ac. yr.	92%	GREEN	92.3%	GREEN			
5	Percentage of non-decent council homes Dale & Valley Homes (former NI 158)	0.59%	Jan-Mar 2013	1.8%	GREEN	2.3%	GREEN			
6	Percentage of non-decent council homes Durham City Homes (former NI 158)	0%	Jan-Mar 2013	0%	GREEN	0.00%	GREEN			
7	Percentage of non-decent council homes East Durham Homes (former NI 158)	41%	Jan-Mar 2013	45%	GREEN	62%	GREEN			
Page 17	Number of private rented sector properties improved as a direct consequence of local authority intervention	1,183	Apr 12 - Mar 13	799	GREEN	1,100	GREEN			

Ref	Description	Latest data	Period covered	Period target	Current performance to target	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
9	Number of empty properties brought back into use as a result of local authority intervention, excluding empty properties demolished as part of an area based housing renewal intervention.	56	Apr 12 - Mar 13	50	GREEN	44	GREEN			
10	Local authority tenant satisfaction with landlord services (Dale Valley Homes)	88.3%	2011/12	Not set for 2011/12	N/A	80.0%	GREEN			
11	Local authority tenant satisfaction with landlord services (Durham City Homes)	78.0%	2011/12	Not set for 2011/12	N/A	79.8%	RED			
12	Local authority tenant satisfaction with landlord services (East Durham Homes)	83.7%	2011/12	Not set for 2011/12	N/A	N/A	N/A			
13	% of council owned factories and business support centre floorspace that is fully occupied	73%	Jan-Mar 2013	76%	RED	75%	RED			

[\[4\] Figure refreshed](#)

Table 2: Key Tracker Indicators

Ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
Altogether Wealthier										
99	Number of top retailers represented in Durham City	13	Jan-Mar 2013	15	RED	15	RED			
100	Number of all new homes completed in Durham City per financial year	27	Apr 12 - Mar 13	25 [5]	Not comparable	81	RED			
101	% of households within County Durham who can access Durham City market place within 1 hour journey by public transport before 8.30am, including walking time	76.4%	Oct 12 - Mar 13	78.7%	RED	75.8%	GREEN			
102	Number of passenger journeys on Park and Ride.	251,925	Jan-Mar 2013	301,729	RED	279,934	RED			
103	Total number of visitors to main attractions in Durham City	105,883 (amended)	Apr – Dec 12	94,527 [5] (amended)	Not comparable	New indicator	N/A			
104	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions.	45.40%	Jan-Mar 2013	67.00%	RED	73.86%	RED			
105	Total planning applications received against all categories	712	Jan-Mar 2013	719	RED	814	RED			

Ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
106	Total number of major planning applications received	35	Jan-Mar 2013	34	GREEN	25	GREEN			
107	% properties in band D and above for Council Tax	14.80%	Jan-Mar 2013	14.79%	GREEN	14.69%	GREEN			
108	Number of JSA claimants aged 18-24	4,955	as at Mar 2013	5,115	GREEN	5,565	GREEN			
109	Proportion of all JSA claimants that are aged 18-24	31.7%	as at Mar 2013	32.00%	GREEN	35.00%	GREEN	26.7%	30.07%*	As at Mar 2013
110	Number of apprenticeships started by young people resident in County Durham as recorded by the National Apprenticeship Service	1,659 (amended)	2011/12 ac. yr.	New indicator	N/A	New indicator	N/A			
111	Number of JSA claimants claiming for one year or more	5,055	as at Mar 2013	4,920	RED	2,885	RED			
112	Proportion of all JSA claimants that have claimed for one year or more	32.33%	as at Mar 2013	30.78%	RED	17.96%	RED	27.4%	32.8%	As at Mar 2013
113	Employment rate of the working age population (former NI 151)	65.1%	as at Dec 2012	65.2%	RED	66.7% (amended)	RED	70.9%	66.2%*	Jan - Dec 12
114	Proportion of the working age population currently not in work who want a job	16.45%	as at Sep 2012	16.00% (amended)	RED	13.97%	GREEN	11.7%	14.7%*	Jan - Dec 12

Ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
115	Proportion of the working age population who are qualified to NVQ level 3 or equivalent	44.2% (amended)	Jan-Dec 2011	49% (amended)	RED	45.9% (amended)	RED	54.9%	49.8%*	2012
							RED	RED		
116	Proportion of affordable homes provided as a proportion of total net homes completed (former NI154 & NI155)	44.30%	Jan-Mar 2013	34.81% (amended)	GREEN	79.76%	RED			
117	Total number of those registered on the Durham Key Options system who have been rehoused (includes existing tenants and new tenants)	3,983	Apr 12 - Mar 13	2,959 [5]	Not comparable	3,754 (amended)	GREEN			
118	Number of preventions as a proportion of the total number of housing solutions presentations	344 (19.53%)	Jan-Mar 2013	302 (21%)	GREEN	280 (20%)	GREEN			
119	Number of statutory homeless applications as a proportion of the total number of housing solutions presentations	247 (14.03%)	Jan-Mar 2013	264 (18.37%)	GREEN	242 (17.3%)	RED			
120	Number of homeless acceptances (of a statutory duty) as a proportion of the total number of housing solutions presentations	65(3.69%)	Jan-Mar 2013	75(5.22%)	GREEN	91(6.5%)	GREEN			

Ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
121	Total number of housing solutions presentations	1,761	Jan-Mar 2013	1,437	RED	1,402	RED			
122	Child poverty (under 16) (former NI116) (national annual rate)	23.0%	2010	23.5%	GREEN	23.5%	GREEN	21.1%	24.8%*	2010
								RED	GREEN	
123	Child poverty (quarterly proxy measure)	24.8%	Aug 2012	24.8%	RED	24.41%	RED	20.1%	25.8%*	Aug 2012
								RED	GREEN	
124	The number of local passenger journeys on the bus network	23,903,428	2012/13	New indicator	N/A	New indicator	N/A			
125	The number of passenger journeys made by concessionary bus pass holders	10,497,324	2012/13	New indicator	N/A	New indicator	N/A			
126	The number of passenger journeys made on the Link2 service	31,619	Jan-Mar 2013	23,846 [5]	Not comparable	New indicator	N/A			
127	The number of trips made using council funded community transport	41,085	Oct-Dec 2012	43,766	RED	New indicator	N/A			
128	Accessibility of Newton Aycliffe Industrial Estate within one hour using public transport and arriving by 8.30am	34.55%	Oct 12 - Mar 13	33.46%	GREEN	31.53%	GREEN			
129	Number of visitors to the main attractions in County Durham	2,360,571 (amended)	Apr-Dec 2012	922,277 [5] (amended)	Not comparable	625,904	N/A			

Ref	Description	Latest data	Period covered	Previous period data	Performance compared to previous period	Data 12 months earlier	Performance compared to 12 months earlier	National figure	*North East figure **Nearest statistical neighbour figure	Period covered
130	Number of tourism businesses actively engaged with Visit County Durham	555 (amended)	Apr-Dec 2012	422 [5] (amended)	Not comparable	218 (amended)	GREEN			
131	Businesses engaged with/assisted (all sectors)	527 (amended)	Apr 12 - Mar 13	423 [5] (amended)	Not comparable	New indicator	N/A			
132	The number of new business start ups receiving business assistance	6	as at Mar 2013	3 [5]	Not comparable	New indicator	N/A			
133	The number of enquiries received for new business start ups	128 (amended)	Apr 12 - Mar 13	99 [5]	Not comparable	New indicator	N/A			

[\[5\]](#) This data is cumulative and the figure is based on 12 months data for the year end so comparisons are not applicable.

Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
Altogether Wealthier														
1	Tracker	REDPI1	The number of the top retailers represented in Durham City.	RED	Annual Q1		15	13						
2	Tracker	REDPI22	The % of households within County Durham that can access Durham City market place by 8.30am, using public transport with a total journey time of 1 hour, including walking time.	RED	6 monthly Q2 and Q4		75.9%	75.6%						
3	Tracker	REDPI23b	Number of visitors to the main tourist attractions in Durham City.	RED	Quarterly		*New Indicator	Not available						
4	Tracker	REDPI38	The number of passenger journeys recorded by the operator of the 3 Durham City Park and Ride sites.	RED	Quarterly		1,167,708	301,729						
5	Tracker	REDPI3	No of all new homes completed in Durham City per financial year	RED	Quarterly		81	10						
6	Tracker	REDPI24	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions.	RED	Quarterly		59.5%	67.0%						

Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
7	Tracker	REDPI26	The proportion of properties within the county that are within council tax band D and above as provided by the District Valuation Office	RED	6 monthly Q2 and Q4		14.7%	14.8%						
8	Tracker	REDPI35	The total number of planning applications received against all categories	RED	Quarterly		3348	719						
9	Tracker	REDPI41a	The total number of major planning applications received	RED	Quarterly		118	34						
10	Tracker	REDPI28	The number of apprenticeships started by young people resident in County Durham as recorded by the National Apprenticeship Service	RED	Quarterly	Y	1050	1640						
11	Tracker	REDPI40	The proportion of the working age population defined as in employment	RED	Quarterly	Y	66.7%	65.2%						70.7%
12	Target	REDPI62	Apprenticeships started through County Council funded schemes	RED	Quarterly		54	159	149	130	Not set	Not set	Not set	
13	Tracker	REDPI7a	The number of Jobseeker's Allowance (JSA) claimants aged 18-24	RED	Quarterly	Y	5565	5115						5,953,700
14	Tracker	REDPI8b	The proportion of all JSA claimants that have claimed for one year or more	RED	Quarterly	Y	18.0%	30.8%						28.1%

Page 26 Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
15	Tracker	ACE016	Percentage of children in poverty (quarterly proxy measure)	ACE	Quarterly	Y	23.84% (2010/11)	24.6% (2011/12)						20.51%
16	Tracker	ACE017	Percentage of children in poverty (national annual measure)	ACE	Annual	Y	23.5% (2009)	23% (2010)						21.10%
17	Tracker	REDPI73	The proportion of the working age population currently not in work who want a job	RED	Quarterly	Y	14.0%	16.6%						11.62%
18	Tracker	REDPI74	The proportion of the working age population who are qualified to NVQ Level 3 or equivalent	RED	Annual Q3		49.0%	44.2%						52.30%
19	Target		Percentage achievement rate of all enrolments on Adult Learning Courses	CAS	Annual		96.5%	96.% (Aug11 - Jul12)	92% (2011/12)	92% (2012/13)	Not set	Not set	Not set	91.7% (2010-11) 92.6% (2011-12 provisional)
20	Target	REDPI10a	No. of affordable homes delivered	RED	Quarterly		344	215	220	255	260	260	260	
21	Tracker	REDPI10b	No. of net homes completed	RED	Quarterly		*New Indicator	158						
22	Target	REDPI29	The number of private sector properties improved as a direct consequence of local authority intervention	RED	Quarterly		1100	911	799	893	525	510	510	

Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
23	Target	REDPI30	The number of empty properties brought back into use as a result of local authority intervention, excluding empty properties demolished as part of an area based housing renewal intervention.	RED	Quarterly		44	19	50	75	75	Not set	Not set	
24	Tracker	REDPI34	The total number of those registered on the Durham Key Options system who have been rehoused (includes existing tenants and new tenants)	RED	Quarterly		3756	937						
25	Tracker	REDPI36a	The number of preventions as a proportion of the total number of housing solutions presentations.	RED	Quarterly	Y	18.3%	21.0%						
26	Tracker	REDPI36b	The number of statutory homeless applications as a proportion of the total number of housing solutions presentations.	RED	Quarterly	Y	21.2%	18.4%						
27	Tracker	REDPI36c	The number of homeless acceptances (of a statutory duty) as a proportion of the total number of housing solutions presentations.	RED	Quarterly	Y	8.3%	5.2%						
28	Tracker	REDPI36d	The total number of housing solutions presentations	RED	Quarterly	Y	5113	1437						

Page 28	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
29	Target	REDPI42a	The proportion of Dale and Valley Homes properties currently not meeting decency criteria	RED	Quarterly		2.3%	1.3%	1.8%	0.0%	0.0%	0.0%	0.0%	11.1% (2010/11)
30	Target	REDPI42b	The proportion of Durham City Homes properties currently not meeting decency criteria	RED	Quarterly		0.0%	4.5%	0.0%	0.0%	0.0%	0.0%	0.0%	
31	Target	REDPI42c	The proportion of East Durham Homes properties currently not meeting decency criteria	RED	Quarterly		61.5%	45.5%	45.0%	25.0%	0.0%	0.0%	0.0%	
32	Tracker	REDPI63	The number of passenger journeys made by concessionary bus pass holders	RED	Quarterly		*New indicator	10,757,735						
33	Tracker	REDPI64	The number of passenger journeys made on the Link2 service	RED	Quarterly		*New indicator	8089						
34	Tracker	REDPI65	The number trips made using council funded community transport	RED	Quarterly		230,000 (2010/11)	41,085						
35	Tracker	REDPI72	The number of local passenger journeys on the bus network	RED	Quarterly		*New indicator	24,244,957						
36	Tracker	REDPI23a	Number of visitors to the main attractions in County Durham	RED	Quarterly		1,529,192	574,501						
37	Tracker	REDPI32	Number of tourism businesses actively engaged with Visit County Durham	RED	Quarterly		358	375						

Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
38	Target	REDPI33	The % of council owned business space floor space that is occupied	RED	Quarterly		75%	71%	76%	75%	80%	83%	85%	
39	Tracker	REDPI66	Businesses engaged with/assisted (all sectors)	RED	Quarterly		*New indicator	99						
40	Tracker	REDPI9	The number of new business start ups receiving business assistance	RED	Quarterly		170	3						
Welfare Reform														
178	Tracker	NEW PI	Unemployed claimant count (from the introduction of Universal Credit)	RED	Quarterly	Y	Not available	Not available						
179	Tracker	NEW PI	Universal Credit (other) - economically inactive but in receipt of Universal Credit (from the introduction of Universal Credit)	RED	TBC	Y	Not available	Not available						
180	Tracker	NEW PI	Job creation indicator (to be developed)	RED	TBC	Y	Not available	Not available						
181	Tracker	NEW PI	Number of tenants requesting a transfer to smaller accommodation due under occupancy	RED	TBC	Y	TBC	TBC						
182	Tracker	NEW PI	Number of people terminating tenancies due to affordability linked to welfare reform	RED	TBC	Y	TBC	TBC						

Page 30 Ref	Indicator type	PI Ref	Performance Indicator Definition	Service Grouping	Frequency	Welfare Reform	Performance		2012/13 Target	Proposed targets				National Comparison
							2011/12	2012/13 (YTD)		2013/14	2014/15	2015/16	2016/17	
183	Tracker	NEW PI	Possession orders granted where the income from the tenant is affected by welfare reform	RED	TBC	Y	TBC	TBC						
184	Tracker	NEW PI	Discretionary Housing Payments: Number of applications	RES	TBC	Y	TBC	TBC						
185	Tracker	NEW PI	Discretionary Housing Payments: Number of awards	RES	TBC	Y	TBC	TBC						
186	Tracker	NEW PI	Discretionary Housing Payments: How much is given to priority groups / social sector unoccupancy / disabled / foster families / benefit cap	RES	TBC	Y	TBC	TBC						
197	Tracker	NEW PI	Service demand - welfare rights	CAS	Quarterly	Y	TBC	TBC						

Ref	Member comment/query	Action to be taken/feedback for members
Economy & Enterprise Overview & Scrutiny Committee (Altogether Wealthier)		
1	REDPI 26 (proportion of properties within the County that are within council tax band D). Is it possible to extend the information provided to include the proportion of properties within all council tax bands (A-G).	The service will review the reporting of this measure during the year to see if an aspect of % change or relationship to the other bands might be more useful. Information on the breakdown by all bands and by area is also available in AAP Profiles available at http://www.durham.gov.uk/Pages/Service.aspx?ServiceId=5928
2	There are too many key tracker indicators for this theme. There is a need for the focus to be on key target indicators.	The service plans to review the number of trackers during the year with the aim of aligning them better to outcomes and reducing the total number where possible.
3	A number of the tracker indicators relate to Durham City and it was felt this was too Durham centric. There is a need for tracker indicators to reflect other significant areas within County Durham.	The service's review of tracker indicators will look at providing better data for all our major town centres and not just Durham City.
4	The target for REDPI 30 (the number of empty properties brought back into use as a result of local authority intervention) had been revised previously however it was felt that there was a need for this indicator to be further revised as a result of the implications of the new Government grant.	This discussion was considering whether the target is too high (aspirational), the service believes that the targets are attainable and plan to keep them at the level originally proposed.
5	REDPI10 (number of affordable homes delivered). The target is too high and there is a need to review the target for 2012/2013 in the current economic climate.	The service has confirmed that they believe the target is attainable based on the current programmes of work that are in place to deliver the affordable homes. The service will review the targets at Quarter 2 to assess whether they are still realistic.

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**Economy and Enterprise Overview
and Scrutiny Committee**

24 June 2013



**Update on Masterplans for County
Durham**

**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 development of Masterplans within County Durham prior to the presentation.

Background

- 2 As part of the refresh of the Committee's work programme for 2012-2014, it was identified by Members that an update on the development of the Masterplan framework would be included within the work programme which met the objective of the Altogether Wealthier section of the Council Plan for 2012-2016 of vibrant and successful towns.
- 3 At the meeting of the Economy and Enterprise Overview and Scrutiny Committee held on the 19 November, 2012 an update was provided to members on the development of the various Masterplans within County Durham. It was requested at that meeting by members that as part of the refresh of the work programme for 2013-2015 that the Committee continue to receive future updates on the progress of the various Masterplans for principal towns across the County.
- 4 It was therefore considered timely that an update be provided by Officers from the Economic Development and Housing Service at the meeting on the 24 June 2013 prior to Cabinet considering a series of regeneration Masterplan reports in September.

Masterplans

- 5 Masterplans provide the detailed programme of activity that is taking place or is planned by the Council and partners in principal towns across the County. They provide the strategic context to delivery and seek to establish key principles to co-ordinate and guide regeneration activity and investment decisions.

6 A series of Masterplan frameworks are being established across County Durham for the following County towns:

- Consett;
- Stanley;
- Chester-le-street;
- Seaham and Murton;
- Peterlee;
- Durham City;
- Spennymoor;
- Newton Aycliffe;
- Bishop Auckland;
- Shildon;
- Crook; and,
- Barnard Castle.

7 The presentation to the Economy and Enterprise Overview and Scrutiny Committee on the 24 June 2013 will provide an overview focusing on the following:

- Strategic context;
- Developing Masterplans;
- Update on coverage of individual Masterplans within the County; and,
- Examples of ongoing projects as part of the Masterplans project.

Strategic context

8 Masterplans are prepared at a town centre or settlement level and are developed to provide detail on current or proposed activity. They are designed to supplement the information provided through the planning framework and can provide an opportunity to ensure the effective alignment of services or investment by the Council and its partners at a local level. This can include town centre improvement budgets, highways and local transport investment and alignment of the Council's accommodation and customer services approaches.

9 The development and adoption of masterplans provides an opportunity to challenge, prioritise and channel resources to the most appropriate locations and ensure that requirements and opportunities are resourced appropriately. This has become particularly relevant given the ongoing pressures on public finances and the relatively weak private development sector.

Developing and delivering masterplans

10 All masterplans produced follow a similar format and are developed using a multi-disciplinary group of staff driven by the Regeneration and Economic Development (RED) service grouping which typically included Planning, Economic Development, Housing and Transport colleagues and depending on the location other service areas or partner organisations may input throughout the process.

- 11 The Cabinet reports include a detailed consultation log of the external individuals, groups and organisations that have fed their thoughts into the document. A key element of this consultation relates to the relevant Area Action Partnerships, many of which have identified or retain task and finish groups looking at the main centres.

Update on the development of masterplans

- 12 Masterplans for Durham City, Newton Aycliffe, Peterlee, Shildon and Spennymoor will be taken to Cabinet in the autumn. We will then have comprehensive coverage across the County Towns.

Examples of current masterplans

- 13 Through the formal adoption process, coloured copies of masterplans are submitted to the members resource centre for inspection and reference. The presentation to the Economy and Enterprise Overview and Scrutiny Committee will highlight some of the issues and opportunities currently identified through the masterplanning process.

Next steps

- 14 Officers will seek resources through the Capital Programme to implement the various projects outlined in the Masterplan documents. All Masterplans are considered to “live” documents. Officers will evaluate the implementation of the Masterplans and will update them where required.

Recommendations

- 15 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 16 That the Economy and Enterprise Overview and Scrutiny Committee as part of the refresh of the work programme receive a further update on the development of masterplans within County Durham at the meeting on the 9 December 2013.

Background Paper(s)

Economy and Enterprise Overview and Scrutiny report – Masterplans for County Durham – 19 November 2012.

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Appendix 1: Implications

Finance – Each masterplan contains a detailed delivery plan with identified costs across Council services.

Staffing – None.

Risk – Detailed risk assessments will be undertaken for each development project.

Equality and Diversity – Each masterplan is subject to an Equality Impact Assessment. Further, more detailed work will be identified and addressed on an individual project basis.

Accommodation – Accommodation issues will be identified on an individual basis.

Crime and Disorder - None

Human Rights - None

Consultation – Appropriate consultation has taken place in relation to the various masterplans within the County, typically utilising Area Action Partnership structures.

Procurement - None

Disability Discrimination Act - None

Legal Implications – The masterplan documents will provide evidence to support the County Durham Plan but it will not have any statutory weight in the planning process.

**Economy and Enterprise
Overview and Scrutiny Committee**

24 June 2013



**Update on the Work of the County
Durham Economic Partnership**

**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 in advance of the discussion with Sue Parkinson, Vice-Chair of the County Durham Economic Partnership (CDEP) focusing on changes in the economy, delivering regeneration and economic development, opportunities, challenges and collaboration on the Scrutiny work programme.

Background

- 2 The work programme for the Economy and Enterprise Overview and Scrutiny Committee focuses on the priority areas identified within the context of the Council Plan, Cabinet's Notice of Key Decisions, Sustainable Community Strategy, Partnership plans and strategies, performance and budgetary control data and changes in Government legislation.
- 3 In addition, the Committee invites on an annual basis the Chair or Vice-Chair of the County Durham Economic Partnership (CDEP) to discuss with members of the Committee the priorities of the CDEP, changes to the economy, challenges faced and priorities within County Durham and opportunities. This discussion has previously provided the ideal opportunity for collaboration, identifying areas of future focus for the Partnership and the Economy and Enterprise Overview and Scrutiny Committee.
- 4 Currently the work programme for the Economy and Enterprise Overview and Scrutiny Committee is in the process of being refreshed for 2013 – 2015 and it was thought timely that the Chair or Vice - chair of the CDEP be invited to attend the meeting on the 24 June 2013 providing an opportunity to comment upon the work programme and identify any additional areas for inclusion.

Current position

5 The discussion on the 24 June 2013 will focus on the following key themes:

- Changes in the Economy.
- Delivering regeneration and economic development.
- Opportunities, priorities and challenges.
- Collaboration on the Economy and Enterprise Overview and Scrutiny work programme.

Recommendation

6 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to consider the information provided during the discussion to identify any additional areas of focus for inclusion in the Committee's work programme for 2013 - 2015.

Background Papers

Economy and Enterprise Overview and Scrutiny Committee – Update on the County Durham Economic Partnership – 6 July 2012.

Economy and Enterprise Overview and Scrutiny report – Refresh of the work programme 2013-2015 – 5 April 2013.

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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

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**Economy and Enterprise
Overview and Scrutiny Committee**

24 June 2013



**Improving Economic Governance in the
North East LEP Area and North East
Independent Economic Review Findings**

**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 in relation to the decision of the seven Local Authority Leaders and Elected Mayor in the North East LEP area to embed collaborative working arrangements in a statutory form. This report also updates Members on the key findings from the recently published North East Independent Economic Review (NEIER), chaired by Lord Andrew Adonis.

Background

- 2 The framework and governance arrangements through which economic development takes place at the subnational level in England has changed. In 2010, the Coalition Government announced that Regional Development Agencies would be abolished and subnational economic development would be facilitated through new Local Enterprise Partnerships (LEPs). A letter from Government in June 2010, invited local authorities and business leaders to come together to consider how they wished to form partnerships. Through LEPs, business and civic leaders are working together to drive sustainable economic growth and create the conditions for private sector job growth in their areas.
- 3 The North East LEP (NELEP) received Government approval on 13 January 2011. It covers the 7 local authority areas of County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland. The new partnership brings together local authorities, businesses, universities, colleges and the voluntary and community sector. The overarching aim is to create growth which means more and bigger businesses and more jobs and investment for the area. The key role of NELEP is an influencing one, taking a strategic lead in the North East economy. Key priorities for the partnership revolve around access to finance; skills and employment; infrastructure; innovation and connectivity; and image and tourism.

- 4 At the same time and building on a history of successful joint working, the seven local authorities in the NELEP area formalised their collaborative arrangements. During 2012 the group of Leaders and Elected Mayor made a commitment to deepen their collaboration in regards to economic and transport policy by establishing the LA7 Leadership board. The board has some specific responsibilities such as shaping the strategic direction of Newcastle International Airport and agreeing local major transport schemes and has also been developing a cross boundary strategic approach for economic development and transport. Taking this one step further, at their meeting on 15 March 2013 the LA7 Leadership Board agreed a governance proposition as a statement of intent to establish 'a statutory body that will enable the seven local authorities to come together around a shared vision for economic growth' and 'to be part of the cohort of areas establishing statutory arrangements in 2014'.
- 5 In order to achieve growth for the area, the importance of strong and growing private and community sectors in the North East has never been greater. NELEP therefore decided to ask a team of leaders from finance, industry, public and civil society to produce a strategic and constructively critical view of the North East economy. The commission, chaired by Lord Andrew Adonis, former Secretary of State for Transport and Minister for Schools, was asked to carry out an Independent Economic Review of the NELEP economy to identify a set of strategic interventions to be implemented over the next five years to stimulate both productivity and employment growth. Alongside an assessment of the North East economy in European and global markets, the NEIER called for evidence on a number of cross-cutting themes including labour markets and skills, infrastructure and land markets, finance and capital markets, private and social enterprise and the role of government and public governance.

North East Independent Economic Review Findings

- 6 The NEIER report was published in April 2013 and offers an agenda for NELEP and its partners, reflecting the commitment of the seven Local Authorities to strengthen collaborative working arrangements and strategic decision making across the area. Creating "**more and better jobs**" within the area's economy is at the heart of the agenda and the highlighted themes and the recommendations support this outcome.
- 7 Under the overarching vision for the North East of 'Making, Trading and Exporting' the key themes running through the report are for the North East to become:
 - An International Exemplar in Smart Specialisation, Open Innovation Systems and Culture
 - A Place to Invest in Business Growth
 - An International Leader in Trade in a Global Economy
 - A High Skilled Economy which Invests in its Young People
 - A leading location for Trade, Re-investment and Stickiness
 - A Special Place to Live and Work

- 8 A number of recommendations have been developed under each of these themes, with 14 overarching recommendations in total, some for NELEP, some for NELEP and its partners and some for Government (See appendix B).
- 9 The five top priorities, as identified by Lord Adonis, are:
- Champion “North East International”, promoting the region at home and abroad as a magnet for trade, talent, tourism and inward investment.
 - A doubling in the number of youth apprenticeships to tackle the evil of low skills and high youth unemployment, alongside higher school standards and an increase in the proportion going on to higher education.
 - The development of strong “innovation and growth clusters”, stimulating universities and their graduates, and existing companies and public institutions, to create and finance new high growth enterprises and jobs.
 - Big improvements in transport infrastructure and services to overcome the relative national and international isolation of the North East and to improve connections within the North East so that people can get to and from work more easily and cheaply.
 - The creation of stronger public institutions, including the location of key national institutions – such as the new British Business Bank – in the North East.
- 10 Durham County Council’s approach within the framework of the County Durham Partnership places great emphasis on the economy, highlighting the crucial role of transport, skills and inward investment as well as quality of place in enabling economic growth. The NEIER report articulates the potential for the North East to become an international leader in trade and investment in a global economy by building on innovation, people and quality of place assets to boost investment into and within the region. The report also emphasises the role that local authorities individually and collectively, with partners, play in promoting growth in the NELEP area. There is clear alignment between the NEIER and County Durham’s already established approach, which offers further opportunities to capitalise on assets and strengths in County Durham to boost both local and regional economic growth.
- 11 The reaction to the NEIER has been positive across the public, private and community sectors. The LA7 Leadership Board has welcomed the opportunity presented by the North East Independent Economic Review to confirm its intention to move existing collaborative arrangements onto a statutory basis. Establishing statutory arrangements for collaboration between the seven local authorities will provide an opportunity to clarify roles and functions as well as strengthen relationships within the existing architecture of organisations focused on growth in the North East.

- 12 The NEIER has been submitted to the Deputy Prime Minister, the Right Hon Nick Clegg and cabinet colleagues. NELEP, the seven Local Authorities, partners and Government are currently considering the pragmatic implementation of NEIER recommendations. There are plans to hold a conference post Spending Review around implementation of the report and a further conference in Autumn 2015, with the full review team, to review progress.

Local Authority Leadership Board

- 13 The LA7 Leadership Board recognise that local authorities are uniquely placed to shape the strategic direction for the area as well as support delivery of the key interventions that will deliver growth and prosperity. The proposal to create a statutory body across the North East LEP area would create a formal structure to underpin strategic developments which support economic growth locally and also enable the devolution of responsibilities and resources from central Government. Building on the recent Heseltine Review, the Government has highlighted the role of local areas in driving economic growth; and the importance of joint working across areas to achieve this. The Government has therefore committed to support local authorities that wish to create a Combined Authority or implement other forms of collaboration. South Yorkshire and West Yorkshire are working towards establishing Combined Authorities and the LA7 Leadership board intends to be part of this cohort of areas establishing new statutory arrangements for April 2014, joining Greater Manchester which became a Combined Authority in April 2011.
- 14 The ambition articulated by the Leaders and Elected Mayor is to create the best possible conditions for growth in jobs, investment and living standards, to make the North East an excellent location for business, to prioritise and deliver high quality infrastructure and to enable residents to raise their skill levels and to benefit from economic growth long into the future.
- 15 The creation of a statutory vehicle will put into legal form what the LA7 Leadership Board has been doing by consent for some time, but as a legally independent and accountable body it will have a greater impact and provide a strong platform for the North East to obtain devolved powers and resources from Government. A Combined Authority is a new cross local authority boundary structure, designed to support the effective governance and management of economic development, regeneration and transport.
- 16 A Combined Authority would not replace a Local Enterprise Partnership. The seven local authorities are committed to working together through the new statutory body and in partnership with the North East LEP on the vision for economic growth. The LEP is a business-led organisation with specific devolved responsibilities from central government and will have a key part to play in a strong and visible collective leadership of the region.

- 17 In a submission to the North East Independent Economic Review, the Leadership Board outlined their statement of intent in relation to Economic Growth, Transport and Skills and emphasised the role they want to play in relation to the prioritisation and management of the Single Local Growth Fund and EU Structural Funds 2014-2020. The North East Independent Economic Review Team, led by Lord Adonis, strongly support the direction and commitment set out by the seven Local Authorities on the establishment of a Combined Authority by April 2014 and have incorporated relevant recommendations in the recently published report. Through the Governance review process, the seven local authority Economic Directors, Chief Executives and the Leadership Board have considered the options for establishing appropriate strategic governance arrangements that address the issues, challenges and opportunities that are particular to the North East and enable devolution of funding and responsibilities from Government.

Review Process and Scheme Design for the North East

- 18 There are three stages towards the creation of a Combined Authority. First there is the review of the existing governance arrangements. Second a scheme is drawn up showing the operational arrangements and constitutional makeup of the proposed Combined Authority in relation to the delivery of economic development, regeneration and transport. Third, the agreed scheme is submitted to the Secretary of State who after consultation with each of the authorities (and the Integrated Transport Authority) and any other persons considered appropriate, submits an Order to parliament.
- 19 The purpose of the review is to determine whether the existing governance arrangements for promoting economic development, regeneration and transport in the area, including the exercise of relevant statutory functions, can be improved and made both more effective and more efficient. The review is considering the system, structure and procedures that are in place across the area to make decisions, set strategy, manage delivery, assess performance and report on progress.
- 20 The key findings of the Governance Review, published in May 2013 for consultation were that:
- The evidence review of the economy sets out a rationale to work collaboratively across the LA7 area, recognising strong and increasing integration across labour markets, housing markets and key sectors.
 - There is scope for a joint approach to enable economic growth based on key sectors and place.
 - Real opportunities exist for policy coordination and integration across different policy themes.
 - There is a need for 'institutional capacity' across the area to:
 - take on devolved powers and responsibilities;
 - provide the governance framework for a single approach to investment across the area; and
 - raise the profile of the area.

- There is a clear impetus to ensure the North East is maximising the use of new funds alongside local resources.
- There is a need to simplify and strategically coordinate the skills system for employers, providers and learners
- The seven local authorities have been successful at attracting inward investment and there is further untapped potential but the current approach lacks coordination
- There is a significant opportunity to take a joint and prioritised approach to transport investment which is integrated with wider economic development objectives

21 The review therefore concluded that the existing governance arrangements would be improved by the formation of a Combined Authority made up of the 7 constituent local authorities (the 'constituent authorities'). As a result a Scheme detailing the operational arrangements and constitutional makeup of the proposed Combined Authority has been drafted for consideration by the constituent authorities and the Secretary of State.

A Combined Authority for the North East

22 The LA7 Leadership Board are confident that the findings of the Governance Review demonstrate that a Combined Authority will provide robust, joined up decision making across the wider area that will in turn improve the economic wellbeing of the area and provide a stronger voice nationally and indeed internationally.

23 When a Combined Authority is created, its constituent local authorities decide which of their economic development and regeneration functions the Combined Authority takes on. These functions can be delegated either wholly, subject to a set of conditions, or concurrently with constituent local authorities. In some instances stronger collaborative arrangements across the area rather than a delegation of a statutory function may be more suitable. There is consensus across the seven local authorities, that a Combined Authority for the North East should be thin and strategic, focusing on strategy setting and prioritisation of investment in regards to transport, economic development and regeneration either through delegation of a statutory duty or on a collaborative arrangement depending on the function. A Combined Authority for the North East would also enable the devolution of powers, responsibilities and resources from Government to the area.

24 The Leadership Board's statement of intent includes specific propositions around economic growth, skills and transport which have been developed in more detail and will continue to take shape through continuous engagement with stakeholders, moving towards establishment of the Combined Authority in April 2014.

- 25 In relation to Strategic Funding the Combined Authority will deliver a flexible, responsive and joined up approach to funding opportunities across the North East. The aim is for greater clarity and alignment of priorities, deliverables and match funding, ensuring greater prioritisation to support regionally significant projects. The Combined Authority will be the accountable body for devolved funding and provide funding stability to achieve the ambitions beyond the limitation of current funding streams.
- 26 The Combined Authority will provide a coordinated structure for skills collaboration, underpinned by robust economic and labour market intelligence. Employers will be placed at the centre of design and delivery of a simplified skills system and existing plans amalgamated and rationalised into one coherent skills plan for the area. Skills provision will be aligned to key sector needs and demands and the CA will work with stakeholders to co-design a skills commissioning framework.
- 27 In regards to inward investment, the Combined Authority will establish an Investment Gateway, adding strategic capacity for enquiry handling and relationship building. This approach will draw on significant skills of the LEP's ambassadorial and sector-led expertise. There will also be coordinated promotion of the area and streamlined engagement with UKTI, Government stakeholders and potential investors.
- 28 On transport, the Combined Authority will have a remit covering strategic transport for the whole of the LA7 area seeking further devolution of transport responsibilities to the region. By aligning the geographical footprint of transport governance across a functional economic area, the efficiency of the system can be improved, coordination with economic priorities can be achieved and a better basis can be created for deciding investment priorities. The Combined Authority will importantly provide leadership and area-wide voice on key strategic transport issues
- 29 A detailed report is being considered by each of the seven Local Authority Cabinets/Executive on the 24th June. The report being considered details the outcome of the area-wide review of governance arrangements undertaken in relation to local authority functions concerning economic growth, regeneration and transport across the seven North East Local Authority areas. Each Local Authority Cabinet/Executive is asked to consider and approve the submission to Government of a request to establish a Combined Authority covering the area of the seven local authorities.
- 30 A scheme for a Combined Authority will be considered jointly by the Secretary of State for Communities and Local Government and the Secretary of State for Transport. If the Secretaries of State consider that the scheme fulfils the requirements set down by the Act, a draft of the order required to create the Combined Authority will be prepared. The Secretaries of State are required to formally consult all relevant authorities, and any other persons considered appropriate, before the order can be laid before Parliament and, subject to the approval of both Houses, become law.

The timetable is:

- 18 June 2013 final draft of scheme to LA7 leadership board
- 24 June Governance Review and Scheme to be considered by each Local Authority Cabinet/Executive
- July 2013 each of the 7 local authorities to consider the Scheme
- 31 July 2013 Scheme submitted to the Secretary of State
- November 2013 – January 2014 Order before Parliament
- 1 April 2014 if Order made by Parliament, the date the Combined Authority would come into existence.

31 The presentation to the Economy and Enterprise Overview and Scrutiny Committee on the 24 June 2013 will focus on the following:

- NELEP and North East Independent Economic Review
- LA7 Leadership Board
- Governance Review and Scheme Design
- Combined Authority approach for strategic funding, skills, inward investment and transport
- Next steps

Recommendation

9 That the Economy and Enterprise Overview and Scrutiny Committee note and comment upon the information provided within the report and the presentation.

Background Paper(s)

North East Independent Economic Review Report April 2013.
LA7 Leadership Board Statement of Intent
Draft LA7 Governance Review Report

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Appendix A

What is a Combined Authority?

Part 6 of the Local Democracy, Economic Development and Construction Act 2009 (LDEDC Act) enables the creation of Combined Authorities. This is a new cross local authority boundary structure, designed to support the effective governance and management of economic development, regeneration and transport. These structures are legal entities and are controlled by their members, a majority of whom must be elected members of the constituent local authorities.

Given the important links that exist between transport provision and wider economic development and regeneration – including access to economic opportunities – the LDEDC Act 2006 provides for cross local authority governance mechanisms on transport (ITAs) to be combined with those aimed at supporting broader economic development into a single, Combined Authority.

The Localism Act 2011 also enables Ministers to transfer local public functions from central government and quangos to local authorities, Combined Authorities and economic prosperity boards - in order to improve local accountability or promote economic growth. Authorities have been encouraged to come forward with innovative proposals.

Combined Authorities are designed for groups of relevant authorities that wish to work closely together to deliver improvements in economic development, regeneration and, in relation to Combined Authorities, transport across a functional economic market area. They are intended to support improved strategic decision making on economic issues, and better coordination and delivery of strategic schemes.

A Combined Authority:

- is a **formal** structure to lead collaboration between Local Authorities on transport and economic development and regeneration.
- is focused on collaboration to deliver functions identified as adding value when delivered across a wider geographic level.
- is **not** about Local Government re-organisation, the merger or take-over of Local Authorities.

Currently, there is one Combined Authority in England, in Greater Manchester. West Yorkshire (Leeds City Region) and South Yorkshire (Sheffield City Region) have committed to forming Combined Authorities by April 2014 as has the North East LEP area.

Appendix B

The NEIER economic review was chaired by Lord Andrew Adonis, former Secretary of State for Transport and Minister for Schools. The private sector-led review team included Will Hutton, former editor in chief of the Observer, now chair of the Big Innovation Centre and principal of Hertford College, Oxford; Heidi Mottram, CEO Northumbrian Water and member of the CBI's national infrastructure panel; Lord Don Curry, leading businessman and chair of NFU Mutual; Bridget Rosewell, economist and chair of Volterra Partners; and Jonathan Ruffer, County Durham-based founder of investment company Ruffer LLP who replaced the Most Reverend Justin Welby, the Archbishop of Canterbury.

Alongside an assessment of the North East economy in European and Global markets, the NEIER called for evidence on a number of cross-cutting themes including labour markets and skills, infrastructure and land markets, finance and capital markets, private and social enterprise and the role of government and public governance.

The NEIER report was published in April 2013 and offers an agenda for the Combined Authority and for the LEP and its partners. There is a big focus within the report on the proposed Combined Authority and sets out a partnership framework for the region to accelerate economic growth. Creating more and better jobs within the area's economy is at the heart of the agenda. As a minimum the report states that the North East need and additional 60,000 private sector jobs and more higher skilled and higher paid jobs to close the gap with the national average. A number of recommendations are made throughout the report but 14 overarching recommendations for action are highlighted.

NEIER Recommendations

ACTIONS FOR THE NELEP

1. Establish a North East Finance and Investment Board, ensure a successor to JEREMIE and introduce new loan and venture funds to further support company growth in the North East.
2. Establish a North East Innovation Board and promote (initially) three Open Innovation and Growth Centres (Bionow, Neptune and AMAP) bringing together companies and angel investor networks.
3. Respond to Lord Heseltine's Review and the Government's resulting commitments by establishing the North East Single Local Growth Fund.
4. Produce an ERDF and ESF European Investment Plan which focuses on exports, innovation, business growth and skills to help re-balance the North East economy.

ACTIONS FOR THE NELEP AND PARTNERS

5. NELEP and the Combined Authority will establish Skills North East to raise school standards, with more schools in the top quartile (35% plus) and fewer schools in the bottom quartile (15% or less) of performance nationally, increase the number of students progressing to higher education and doubling the number of youth apprenticeships.

6. The NELEP and Combined Authority will integrate City Deal, European Investment Plans and new flexibilities into a single approach to investment supporting economic growth.
7. Universities should lead on establishing four University Technical Colleges; help to increase participation by some 300 undergraduate places per annum (1%) until the North East matches the national average in higher education participation; boost internship programmes to assist graduates and post graduates; and develop a network of substantive post-doctoral innovation scholarships.
8. In anticipation of the establishment of Transport North East local partners will develop an investment plan for addressing bottlenecks in the A1/A19 (Combined Authority); develop an interoperator smartcard for public transport (Nexus); embed faster rail connections into new rail franchises (LA 7 Leadership Board) and establish a direct scheduled flight to the US (Newcastle Airport).
9. NELEP and the Combined Authority will work with business representation bodies and UKTI to create North East International as a single body to promote the area nationally and internationally.

ACTIONS FOR CENTRAL GOVERNMENT

10. Promote a North East Schools Challenge, based on the successful London Challenge, to support local partners to achieve a step change in both primary and secondary schools.
11. Devolve skills funding, based on the Sheffield Model, to Skills North East, in return for a big increase in the quantity and quality of youth apprenticeships.
12. Facilitate the establishment of Transport North East within the new Combined Authority structure, taking over from Nexus and the existing Integrated Transport Authority expanded to include County Durham and Northumberland.
13. Locate key national institutions in the North East. The new British Business Bank and the National Audit Office – which has a minority of its staff in the North East but is headquartered in London – should become North East headquartered institutions.
14. Set the technology mix for renewable generation as soon as possible and prioritise Dogger Bank and the Humber mouth to the south as the first locations for new investment in the next generation of offshore wind power infrastructure.

Appendix 1: Implications

Finance - Full financial implications will be included in the subsequent report to Cabinet in June 2013 and in reports to Council.

Staffing - The Combined Authority will be a small, focused organisation and it is expected that it can be delivered within existing resources.

Risk - There has been engagement with representatives from the Department for Communities and Local Government at an early stage and the timescales for the creation of a North East combined authority discussed in detail. The timescales are challenging if any combined authority is to be in place by 1 April 2014. The Leadership board of the 7 local authorities are aware of the timescales and the project board met on a weekly basis to ensure so far as possible that the review process is driven forward.

Equality and Diversity - There are no equality and diversity issues arising directly from this report.

Accommodation - There are no equality and diversity issues arising directly from this report.

Crime and Disorder - There are no equality and diversity issues arising directly from this report.

Human Rights - There are no equality and diversity issues arising directly from this report.

Consultation - consultation with key Stakeholders took place in May and June 2013 with a view that continuous engagement will take place over the coming months towards establishment of the Combined Authority. Stakeholders include representative organisations, service providers, delivery partners and relevant regulatory bodies. Each local authority has engaged with the stakeholders in their area. There is also a period of consultation that the Secretary of State will undertake before deciding whether or not it is appropriate to recommend the making of an Order creating a combined authority.

Procurement - There are no human rights implications directly arising from this report.

Disability Discrimination Act - There are no Disability Discrimination Act implications directly arising from this report.

Legal Implications - The Cabinet/Executive of each constituent authority will receive a report on 24 June 2013. A report will be taken to the Council of each constituent authority on various dates during July 2013. Only when the constituent authorities are all satisfied that it is appropriate to submit the Governance Review and Scheme to the Secretary of State will the documents be submitted to him with a request that a Combined Authority is established.

**Economy and Enterprise
Overview and Scrutiny Committee**

24 June 2013



**Refresh of the Work Programme for the
Economy and Enterprise Overview and
Scrutiny Committee 2013-15**

Report of Lorraine O'Donnell, Assistant Chief Executive

Purpose of the Report

- 1 To provide for Members' consideration an updated work programme for the Economy and Enterprise Overview and Scrutiny for 2013-2015.

Background

- 2 At the meeting on the 5th April 2013, the Committee considered the actions identified within the Council plan 2013-2017 for the Altogether Wealthier priority theme and agreed to refresh its work programme to include a number of these actions. In addition, topics have also been identified that are in-line with the Council Plan, Cabinet's Notice of Key Decisions, Sustainable Community Strategy, Partnership plans and strategies, performance and budgetary control data and changes in Government legislation.

Detail

- 3 In accordance with this decision, a work programme for 2013-2015 has been prepared and attached in Appendix 2.
- 4 Members are also encouraged to identify areas for future Scrutiny investigation (in depth reviews) from the work programme.

Recommendation

- 5 Members of the Committee are asked to discuss and agree the new work programme as detailed for 2013-2015.

Background Paper(s)

Council Plan 2013-2017, Economy and Enterprise Overview and Scrutiny Committee report-Refresh of the work programme-5 April, 2013.

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Appendix 1: Implications (The following implications are taken directly from the report to Cabinet on 6 February 2013: The Council Plan and Service Plans 2013 – 2017).

Finance - The Council Plan sets out the corporate priorities of the Council for the next 4 years. The Medium Term Financial Plan aligns revenue and capital investment to priorities within the Council Plan.

Staffing - The Council's strategies are be aligned to achievement of the corporate priorities contained within the Council Plan.

Risk - Consideration of risk is a key element in the corporate and service planning framework with both the Council Plan and Service Plans containing sections on risk.

Equality and Diversity - Individual equality impact assessments have been prepared for each savings proposal within the Council Plan. The cumulative impact of all savings proposals in total has also been presented to Council and will be updated as savings proposals are further developed. In addition a full impact assessment has previously been undertaken for the Council Plan. The actions in the Council Plan include specific issues relating to equality and aim to improve the equality of life for those with protected characteristics. The Plan has been influenced by consultation and monitoring to include equality issues. There is no evidence of negative impact for particular groups.

Accommodation - The Council's Corporate Asset Management Plan is aligned to the corporate priorities contained within the Council Plan.

Crime and Disorder - The Altogether Safer section of the Council Plan sets out the Council's contributions to tackling crime and disorder.

Human Rights – None

Consultation - Council and partnership priorities have been developed following an analysis of available consultation data including an extensive consultation programme carried out as part of the development of the interim Sustainable Community Strategy and this has been reaffirmed by subsequent consultation on the budget and through the Residents' Survey. Results have been taken into account in developing our resourcing decisions.

Procurement – None

Disability Discrimination Act – None

Legal Implications – None

<p>OVERVIEW AND SCRUTINY WORK PROGRAMME 2013 TO 2015 Economy and Enterprise OSC Lead Officer: Stephen Gwilym Overview and Scrutiny Officer: Diane Close IPG Contact: Andy Palmer</p>		<p>Note: O/S Review - A systematic 6 monthly review of progress against recommendations/Action Plan Scrutiny/Working Group – In depth Review Overview/progress – information on an issue; opportunity to comment, shape, influence, progress with a scrutiny review Performance – ongoing monitoring (quarterly) performance reports/budgets</p>		
	When	Who	Outcome	Comment
<p>O/S Review Increasing young people's employment opportunities (18 – 24) in County Durham.</p>	<p>June, 2012</p>	<p>Graham Wood (RED)</p>	<p>Review is focused on increasing the employment opportunities of young people (18 – 24) in County Durham by improving partnership working. Working Group report considered by Cabinet at the meeting on the 20th June, 2012. Systematic review of recommendations considered by Committee on the 5th April, 2013 with a further update scheduled for 27th February, 2014.</p>	<p>O&S Members will have produced a report which can be used to influence provision to support young people into employment within County Durham.</p> <p>Members will be aware of the progress made against recommendations contained in the report.</p>
<p>Empty Homes Review</p>	<p>March, 2013</p>	<p>Kath Heathcote (RED)</p>	<p>Review focused on current national policy, DCC strategy, funding, benefits of schemes, examples of schemes in other LAs, options for the future. Systematic review of recommendations is scheduled for the 24th September, 2013.</p>	<p>Will provide an opportunity for O&S to comment upon and develop DCC's Empty Homes Strategy.</p>

O/S Review	When	Who	Outcome	Comment
Members Reference Group – Impact of Public Sector funding cuts on the economy of County Durham.	10 th January, 2013.	Andy Palmer/Ray Brewis (RED)	Members will have the opportunity to participate and feed comments into a member reference group looking at the impact of changes in Government funding on the economy of County Durham.	Members will have an understanding of the impact of changes in Government funding on the economy of County Durham.
Overview/Progress	When	Who	Outcome	Comment
Masterplans for County Durham – Update.	E&E 19 th November, 2012 - Overview provided. Update on development of plans scheduled for 24 th June and the 9 th December, 2013.	Graham Wood (RED)	Members are aware of the development of the various Masterplans for County Durham.	Members will have knowledge of the development of the various Masterplans for County Durham.
North East Independent Economic Review – Overview – NELEP - Revised Governance arrangements.	E&E 24 th June, 2013. Update on progress of revised governance arrangements 27 th February, 2014.	Maria Antoniou (RED)	Members will be provided with an overview of the independent review of economic activity commissioned by NELEP. In addition, they will be informed of the new proposed governance arrangements.	Members will be aware of the recommendations of the review and the actions to be put in place by the North East Local Enterprise Partnership (LEP) together with the proposals for new governance arrangements.
European Funding Programme – 2014 – 2020 - Overview.	E&E 24 th September, 2013. Update scheduled for 27 th February, 2014.	Andy Palmer (RED)	Members will be provided with an overview of the opportunities available within County Durham via European Funding.	Members will be aware of the opportunities within County Durham as a result of the European Funding programme.

Overview/progress	When	Who	Outcome	Comment
County Durham Plan – Update	<p>A workshop for all O&S members was arranged for the 4th October, 2012 focusing on the Preferred Options stage which provided an O&S response to the ongoing consultation.</p> <p>An O&S workshop is to be arranged during the next round of consultation in Oct-Dec 2013 followed by an update to the committee in April 2014.</p>	Stuart Timmiss/ Mike Allum (RED)	<p>Members were given an opportunity to contribute to the consultation on the CIL in Sept 2012 and the Preferred Options stage of the CDP via the O&S workshop held on the 4th October 2012 - consultation (10th September, 2012 – 2nd November, 2012).</p> <p>Members will continue to be updated on the development of the CDP with a further workshop arranged for the next round of consultation.</p>	Members will be given the opportunity to feed into the next consultation exercise undertaken for the CDP in Oct - Dec 2013(Consultation runs 14 th October – 6 th December, 2013.
Transit 15 – Update.	E&E 19 th December, 2011 - Overview presentation. Update scheduled for 27 th February, 2014.	Andrew Leadbeater (RED)	Members will be provided with details of the progress of Transit 15.	Members will be further updated in relation to the progress and development of the Transit 15 programme within County Durham.
Community Infrastructure Levy (CIL) – Update.	E&E 24 th Sept, 2012 – Overview - Update scheduled for 21 st October, 2013.	Peter Ollivere (RED)	Members will be aware of the background to the CIL, the results of the consultation and the Levy to be charged.	E&E OSC fed into the CIL consultation. Members will receive information on the CIL to be charged.

Overview/Progress	When	Who	Outcome	Comment
LTP3 – Overview	E&E 27 th February, 2014.	Andrew Leadbeater (RED)	Members will be aware of the progress and delivery of LTP3.	Members will be informed of the current position and future planned progress of LTP3.
Overview of the work of the CDEP provided by the Vice - chair of CDEP on an annual basis.	E&E 24 th June, 2013.	Sue Parkinson (Vice - Chair CDEP)	Members will be aware of the priorities of the CDEP, how the E&E OSC work programme reflects these priorities and helps to identify possible LTRs.	Members will be aware of the priorities of the CDEP and use this information to inform the E&E OSC work programme and identify possible LTRs.
Tourism – Update on Tourism offer.	E&E 24 th September, 2012 – Overview provided on Tourism offer within County Durham. Update on tourism scheduled for E&E 21 st October, 2013.	Melanie Sensicle – Visit County Durham- (RED)	Members will be provided with an update on the development of the tourism offer within the County including new marketing campaigns.	Members will be informed of the Tourism offer in County Durham together with proposals for future development.
Adult Learning Strategy- Update.	E&E 24 th September, 2012 – Overview provided. An update on the development of the strategy is scheduled for E&E 7 th April, 2014.	Jeanette Stephenson (C&AS)	Members will be provided with an update on the development of the Adult Learning Strategy within County Durham.	Members will be updated on the priorities identified within the Adult Learning Strategy and how they are to be delivered within County Durham.
Business Support Service (Business Durham) – Update – Including information on business asset stock and how utilised.	E&E 19 th November, 2012 an overview of the role of Business Durham. An update is scheduled for E&E 21 st October, 2013 identifying progress.	TBC	Members will be aware of the support currently provided and will have identified gaps/barriers /duplication and models of good practice in the current provision.	Members will be aware of the business support offered by Durham County Council.

Overview/Progress	When	Who	Outcome	Comment
Digital Durham Programme - update.	E&E 19th Dec, 2011 an overview provided. An update is scheduled for E&E 9 th December, 2013.	Phil Jackman (RED)	Members have been provided with an overview in relation to the Digital Durham Programme. An update will be on the development of the project within County Durham.	Members will be aware of the development and delivery of the Digital Durham Programme within County Durham.
Market Strategy for County Durham – Overview.	E&E 27 th February, 2014.	Sarah Robson/ Graham Wood/ Joanne Waller (RED)	Members will receive an overview of the Market Strategy for County Durham.	Members will be aware of the strategy to revitalise markets within the County.
Durham City – Business Improvement District (BID) - Overview.	E&E 21 st October, 2013.	Sarah Robson (RED)	Members will receive an overview of the development and implementation of the Business Improvement District (BID) within Durham City.	Members will be aware of the development and implementation of the BID for Durham City.
Skills development within County Durham – Overview	E&E 9 th December, 2013.	Graham Wood (RED)	The Committee will receive information on the work being undertaken within the County in relation to skills development.	Members will be aware of the work being undertaken by DCC and partners in relation to skills development.
Apprenticeship Strategy - Overview	E&E 7 th April, 2014.	Graham Wood (RED)	Members will receive an overview of the apprenticeship strategy and action plan to boost the numbers of people able to gain work experience and apprenticeships within the private and public sector.	Members will be aware of the strategy within County Durham to boost the number of people undertaking apprenticeships and work experience within County Durham.

Housing - Overview/Progress	When	Who	Outcome	Comment
Performance Monitoring of the 2 ALMO's and Durham City Homes – Annual basis.	Special meeting to monitor the performance of our housing providers – 13 th November, 2013.	Sarah Robson (RED)/DCH, EDH and Dale and Valley Homes.	Members of the Economy and Enterprise Overview and Scrutiny will comment upon and monitor the performance of our Housing Providers.	The E&E Scrutiny Committee will be kept informed of the performance of our housing providers continuing the ongoing performance monitoring process.
Durham Key Options New Lettings Policy.	E&E on 6 th July, 2012 received an overview of the new lettings policy. E&E on 14 th January, 2013 received an update on the development of policy. Update on the implementation of the policy is scheduled for 21 st October, 2013.	David Randall (RED)	Members have had the opportunity to feed into the consultation process for the DKO new lettings policy and will be kept updated on the implementation of the policy.	Members will be updated on and will monitor the implementation of the DKO new lettings policy.
Affordable Homes - overview.	Considered by E&E on 4 th April, 2011. Further update to be provided on 27 th February, 2014.	David Siddle (RED)	The Committee will be aware of the current policy of the Authority in relation to affordable homes.	Members will have a more detailed knowledge of the current policy which will allow them to better monitor the performance of the Authority in relation to the relevant performance indicator.

Housing – Overview/Progress	When	Who	Outcome	Comment
Housing Solutions - Overview	E&E 5 th April, 2013 received an overview of the service. Further update to be provided at E&E on 9 th December, 2013.	Lynn Hall (RED)	The Committee will be aware of the service provided by the Housing Solutions Service and will receive updates on the development of the service to respond to Government policy.	Members will be aware of the service provided by the Housing Solutions service and will be kept updated on how the service develops to respond to Government policy.
Housing Stock Options Appraisal	Updates have been provided to Committee on 4 th Feb, 15 th July, 14 th Nov, 2011 and 13 th Feb, 2012, 6 th July, 2012, 19 th Nov, 2012 and the 14 th Jan, 2013. A special meeting on the 28 th Sept, 2011 allowed members to feed comments into the consultation. Further updates to be provided at the 24 th September, and 9 th December, 2013 meetings.	Marie Roe (Stock Option Appraisal Project Manager).	Members will continue to be updated in relation to the development/implementation of the preferred housing option.	The Committee will continue to be kept involved in the development and implementation of the preferred housing option for DCC.

Housing – Overview/Progress	When	Who	Outcome	Comment
Homelessness Strategy - Update	6 th July, 2012 – Overview presentation. An update to be provided to the E&E on the 9 th December, 2013.	Lynn Hall (RED)	Members will be updated on the development of the homelessness strategy for County Durham.	Members will be updated on DCC's approach to homelessness and how it is responding to Government policy. Members will continue to monitor performance in relation to the relevant indicator (number of homelessness presentations).
Performance Report	When	Who	Outcome	Comment
Quarter 4	24 th June 2013.	Graham Tebbutt	Members using performance management information to inform the work programme and possible review activity.	Summary information to Members.
Quarter 1	24 th September, 2013.	(RED)		
Quarter 2	9 th December, 2013.			
Quarter 3	7 th April, 2014.			
Quarter 4	TBC			
Budget Report	When	Who	Outcome	Comment
Quarter 4 & Quarter 1	24 th September, 2013.	Azhar Rafiq	Update on budget	Summary information to Members.
Quarter 2	9 th December, 2013.	(RED - Finance)		
Quarter 3	27 th February, 2014.			
Quarter 4	TBC			



MINUTES

Meeting	County Durham Economic Partnership Board
Date of Meeting	Monday 13 th May 2013
Time	13.00 – 15.00
Venue	South West Durham Training Ltd, Newton Aycliffe

Attendees:

Brian Tanner	Chair
Kaye Rideout	Avanta
Karen Kenmare	Avanta
Paul Henderson	Ingeus
Jack Richardson	Jobcentre Plus
Sue Parkinson	Chair of the Business, Enterprise & Skills Group
Cllr Neil Foster	Cabinet Portfolio Holder for Economic Development and Regeneration
Simon Hanson	Federation of Small Businesses
Brian Manning	ESH Group
Steward Watkins	Business Durham
Geraldine Wilcox	Derwentside Homes
Barbara Gubbins	County Durham Community Federation
Ray Hudson	Durham University
Ian Thompson	Director of Regeneration and Economic Development
Sarah Robson	Chair of Housing Forum
John Tindale	Economic Development, DCC
Andy Palmer	Strategy, Programmes & Performance, DCC

1. Welcome

Brian Tanner welcomed everyone to the meeting.

2. Apologies

Cllr Eddie Tomlinson	Chair of Rural Working Group
Christine Yule	Durham Business Group
Ivor Stolliday	Chair of Visit County Durham Board

3. Minutes of the last meeting

The minutes were **agreed** as a true record.

4. Matters Arising

Item 6 & 7 – Keith Bartlett and Jack Richardson to meet to discuss potential for collaboration on wage subsidy and work programme opportunities - This is ongoing. Andy Palmer and Melanie Sensicle are due to meet to discuss European Funding opportunities.

Simon Hanson offered FSB communication routes to support messages to wider members – Simon had not heard from either Melanie or Keith in relation to this. Tarryn to chase this.

Stephen Howell to check procurement procedures and opportunities with Cultural Services – Stephen was not present at the meeting therefore no update was reported. Tarryn to chase this.

BES Group to pick up strategic picture on supply chain opportunities linked to major events and report back to the Board – This is on the Agenda for the next BES meeting, therefore Sue will report back at the next Board.

FSB to support on consideration of commercial opportunities – There has been no communication with Melanie in relation to this

5. Chairs Remarks

- Brian informed the Board that the economic news over the last period was not great, but GDP figures were good with a small growth figure for the first quarter. The manufacturing sector is smaller than it was at the start of 2013.
- Welcomed the release of the North East Independent Economic Review, its positive approach and the need for the CDEP to support the subsequent strategies in relation to the county.
- The County Durham Partnership have proposed a 'Positioning County Durham' report which will signify a joined up message for the County, will make the most of planned major events and articulate the position to change perception both nationally and internationally of the county. The report included an action to encourage Visit County Durham and the Cultural Partnership to work with relevant CDEP Working Groups at an early stage of projects so they can be supported in addressing the additional economic opportunities in relation to events.

Action: Positioning County Durham Report to be circulated to the Board

6. Tackling Unemployment through Partnership and Supporting the Work Programme

Jack Richardson gave a presentation to the Board in relation to tackling unemployment through Partnership, this was a joint presentation with Paul Henderson from Ingeus and Kaye Rideout from Avanta.

Challenges facing Job Centre Plus

- Jobs are now being advertised online
- There is a trend for government Departments to undertake more digital advertising
- In relation to the introduction of Universal Credit – all support services need to be as joined up as possible
- Money is now being paid monthly instead of every 2 weeks. Therefore there is need for training in budgeting skills

Ingeus & Avanta Work Programme Contractors

Paul explained that as part of the Work Programme people still sign on at the job centre but work with both Ingeus and Avanta for help with training needs etc.

Challenges:

- Sustainability – agency work/short term jobs/redundancies
- Need to work with people rapidly to make sure their motivation is maintained
- Link up with other partnerships and make improvements to partnership working

Discussion:

How can we work together to improve outcomes for unemployed customers in County Durham? Brian enquired how the three organisations, and particularly Ingeus and Avanta, work together.

The following points were raised:

- Work of Ingeus and Avanta is not geographically separated and there is some degree of competition required between them.
- Need for clients to have constant and consistent support from all partners
- Benefit of a case lead and each client to have tailored and appropriate support
- Important linkages to the Rural Growth Network Funding supported through DEFRA. Could undertake joint activity with the JCP Flexible Support Fund
- Need to understand as partners the value of the Work Programme. JCP explained that DWP are reviewing national figures and the proportions of customers returning after the end of the 2 year programme
- Role of employers and changing aspirations in relation to training
- Mismatch between skills and customer expectation
- Making the most of the opportunity presented through the Learning Working Earning Programme which was launched in March 2013 and has £350,000 to specifically support young people into employment
- Problem of wage incentives and getting the right balance of support for the individual and the employer. There is a need for support to be fairly significant to attract employers to consider recruiting people who have been on such employment support programmes
- Need to promote tailored support provided by JCP and ensure that we work effectively with all employers, particularly large employers like Hitachi

Actions:

- **Sue Parkinson to share details of the Rural Growth Network Funding and its activity**
- **Business Durham and JCP/Ingeus/Avanta to make appropriate contact and discuss the required support for employers**
- **Barbara Gubbins to circulate details about the Learning Working Earning Programme**

7. Investment Planning and EU Funding

Andy Palmer gave a presentation to the Board in relation to the developing opportunities with potential investment for the County, including:

- 2014-20 Programme Summary
- Transition Regions
- UK Proposed 'Growth Programme'
- Types of projects
- Next steps and opportunities for involvement

With regard to potential European projects ICT Broadband has never been able to use European funding, however Phil Jackman (Head of ICT, DCC) is to come to the next Board meeting to discuss this.

We need to have a pipeline of projects worked up sufficiently to take advantage of funding opportunities that become available. It was felt that the need was for good schemes and that as a partnership we should oversee a portfolio of schemes and have an effective pipeline of priority projects. Andy mentioned the Investment Plan for the NELEP which is due to be completed in draft form by end of September. It is expected that the LEP will have a completed strategy by January 2014 and will need to include quality proposals in the submission to Government. NELEP have set up 3 task and vision groups to develop the strategy and investment plan.

Sue Parkinson is on the project pipeline group. Through the BES Sue has set up a task and finish group to discuss and develop partnership priority projects but felt that may need to widen this group to ensure it has the right people attending.

Action: Sue Parkinson to extend the membership of the Investment Planning Task and Finish Group. Partners to be involved as required and depending on the scope of projects developed.

8. NEIER, Leadership Board & Combined Authority

The North East LEP, with the support of Government and Lord Adonis (Chair of the North East Independent Economic Review), commissioned a critical review of the North East economy to identify opportunities and barriers to boost employment and productivity. This review has enabled us to understand the NELEP economy more clearly, identify where future growth opportunities could come from and prioritise actions to make these opportunities a reality.

Ian Thompson gave a brief update in relation to the Lord Adonis report. The Report indicates that there are five key priorities to achieve its aims:

- Champion “North East International”, promoting the region at home and abroad as a magnet for trade, talent, tourism and inward investment.
- A doubling in the number of youth apprenticeships to tackle low skills and high youth unemployment, alongside higher school standards and an increase in the proportion going on to higher education.
- A North East Innovation Board charged with developing strong “innovation and growth clusters”, stimulating universities and their graduates, existing companies and public institutions to create and finance new high growth enterprises and jobs.
- Big improvements in transport infrastructure and services to overcome the relative national and international isolation of the North East and to improve connections within the North East so that people can get to and from work more easily and cheaply.
- The creation of stronger public institutions, including the location of key national institutions – such as the new British Business Bank – in the North East.

Amongst the proposals to be acted upon by the NELEP was the creation of a North East Combined Authority. This is to be an agreement between all seven Local Authorities and should be in place by March 2014. Proposals for this need to be submitted to Government in July and will highlight new ways of working and key areas which are linked to investment which will include; skills, transport, inward investment, trade, innovation, tourism and housing. Partners will be kept informed of developments concerning the Combined Authority.

9. CDEP Review

An update report and supporting documents have now been circulated to the Board. Chairs of the Working Groups have met and given their hugely valued input. Brian thanked the Chairs for their time spent in relation to this.

The next stage will involve refining the functions of the Partnership and recommendations for a more focused CDEP form and structure. Board Members will be involved as appropriate and another report will be presented at the next Board in July.

Action: The Board approved the recommendations and endorsed the secretariat’s progression to the next stage of the Review.

10. Working Group Chairs/VCS Update

VCS

Barbara Gubbins gave an update. She mentioned that Durham Rural Community Council are currently working on a programme in relation to European Funding. A survey has been carried out in relation to tracking the impact of spending cuts on the North East's third sector – Voluntary Organisations Network North East (Vonne). Over all it shows a grim picture for voluntary sector funding and VCS at the moment, indicating that over the last 12 months:

- 59% of voluntary organisations have seen a decrease in funding
- 56% are using reserves
- 23% have no reserves

Business Enterprise & Skills

Sue mentioned that the BES had changed its format to have a focus at each meeting. The last meeting focused on developing retailers in the region. A Task & Finish Group has been set up in relation to this. Sarah Slaven is leading on a task group for Education & Enterprise which was a focus from a previous meeting. Andrew Hodgson from NELEP will be attending the BES meeting in July. Melanie Sensicle is attending the next BES to give an understanding of how Artichoke choose their suppliers for Lumiere and if local suppliers were given consideration.

Housing Forum

Sarah informed the Board that the Housing Forum had taken place earlier in the day. It had a focus on Altogether Healthier. Karen Croucher, a Researcher for York University, attended the Forum to give a presentation on Housing for an ageing society. There was an update from the Older Persons Task Group and from HCA. It was noted that, since the introduction of Welfare Reform, Housing Solutions queries had risen by 100%. With the benefit cap introduction it is estimated that 200 families across the County could be affected from July. Some families could lose up to £145 per week. There is good work ongoing from the Learning Disability Task Group. It was suggested that a future agenda item should include an assessment of the impact welfare reform is having on businesses across the County.

11. Any Other Business

Stewart Watkins mentioned that the Hitachi project is moving ahead at pace. A Procurement Manager has been recruited locally and a HR Manager has also been recruited.

12. Date and Time of next meeting

29th July 2013, 1pm Location TBC

4th November 2013, 1pm Location TBC

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