



## **Economy and Enterprise Overview and Scrutiny Committee**

**Date**            **Friday 8 January 2016**  
**Time**            **9.30 am**  
**Venue**          **Committee Room 2, County Hall, Durham**

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### **Business**

#### **Part A**

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

1. Apologies for Absence
2. Substitute Members
3. Minutes of the meetings held 29 October 2015 and 16 November 2015 (Pages 1 - 18)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Media Relations
7. Housing Strategy - Update: (Pages 19 - 22)
  - (i) Joint Report of the Assistant Chief Executive and the Corporate Director of Regeneration and Economic Development.
  - (ii) Presentation by the Principal Policy Officer, Regeneration and Economic Development.
8. Quarter 2, 2015/16 Revenue and Capital Outturn: (Pages 23 - 30)  
Joint Report of the Corporate Director of Regeneration and Economic Development and Corporate Director, Resources – Finance Manager, Resources.
9. Quarter 2, 2015/16 Performance Management Report: (Pages 31 - 50)  
Report of the Assistant Chief Executive – Performance and Improvement Team Leader, Regeneration and Economic Development.

10. Review of Council Plan and Service Plans: (Pages 51 - 60)  
Report of the Assistant Chief Executive – Principal Performance Manager, Assistant Chief Executive's.
11. Minutes of the County Durham Economic Partnership meeting held on 3 November 2015 (Pages 61 - 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  
18 December 2015

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, M Davinson, D Hall, T Henderson, C Kay, B Kellett, J Maitland, H Nicholson, R Ormerod, A Patterson, M Simpson, P Stradling, O Temple, A Willis and S Zair

**Co-opted Members:**

Mr T Batson and Mr I McLaren

**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 **Thursday 29 October 2015** at **9.30 am**

**Present:**

**Councillor A Batey (Vice-Chairman in the Chair)**

**Members of the Committee:**

Councillors E Adam, J Armstrong, J Clare, T Henderson, B Kellett, H Nicholson, A Patterson, O Temple and A Willis

**Also Present:**

Councillor N Foster

**1 Apologies for Absence**

Apologies for absence were received from Councillors J Bell, R Crute, M Davinson, C Kay, J Maitland, R Ormerod, P Stradling and Mr I McLaren.

**2 Substitute Members**

No notification of Substitute Members had been received.

**3 Minutes**

The Minutes of the meeting held 29 September 2015 were agreed as a correct record and were signed by the Chairman.

**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 Media Relations**

The Overview and Scrutiny Officer, Diane Close referred Members to the recent prominent articles and news stories relating to the remit of the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes). The articles included: Durham Lumiere 2015; funding secured for Inspiral Cycles, a business at Bishop Auckland via DCC's Business Improvement Scheme; a warning from the charity Go ON UK that a quarter of North East adults still lack digital skills and links to agenda item 10; County Durham firm Kromek in line for lucrative US Department of Defense deal; and the devolution deals for the North East and Tees Valley, further information being set out at Agenda Item 8.

### **Resolved:**

That the presentation be noted.

The Chairman noted that, in order to best accommodate presenting Officers, it was perhaps preferable to take the Combined Authority report as the next item. Members of the Committee agreed.

## **7 Combined Authority - Update**

The Chairman introduced the Strategy Manager, Regeneration and Economic Development, Ray Brewis who was in attendance to give an update as regards the North East Combined Authority (NECA) and the "Devolution Agreement for the North East" document (for copy see file of minutes).

The Strategy Manager thanked the Committee for the opportunity to give an update on the issue and reminded Members that devolution was not a recent activity, the process had been ongoing for a number of years: with the powers being set out to create a Combined Authority; the Heseltine Report in 2012; looking for regional solutions to regional issues; and the creation of Combined Authorities, with the powers over transport and infrastructure. It was added that the Scottish Independence Referendum and result of the 2015 UK General Election had moved the debate forward in terms of regional devolution.

Councillors noted that there had been 38 devolution proposals in England, and that all "asks and deals" were area specific, with no "one size fits all" approach. It was explained that there had been different approaches in relation to devolution deals, for example Manchester, who were seen as being one of the driving forces for devolution, asking for the full range of powers available, contrasting with the approach in Cornwall which was of a much smaller scale. Members noted that the current North East Local Enterprise Partnership (NELEP) area was pushed as being the geographical area for devolution for the North East, not including the Tees Valley LEP area, and that this was the starting point of the North East Strategic Economic Plan (SEP) to build upon, to ensure planning and investment was in place, or planned.

The Strategy Manager reminded Members of the Adonis Review, carried out in 2014, which had identified the North East as being unique within the UK, and as a good manufacturing area. It was added that there was an ambition for “North East International”, noting the strengths of the area that could be built upon, and the key contribution the North East could make to the “Northern Powerhouse”.

The Committee were reminded of the background and the progress with the NECA, noting the shared vision to “create more and better jobs”, and the process of moving towards a devolution deal, with public consultations and discussions with the Treasury having ultimately led to the announcement on 23 October 2015 in relation to the proposed Devolution Agreement. It was explained that the NECA had been asked to shape the proposals via a “Statement of Intent”, this having been submitted on 4 September 2015. Councillors learned that the Statement of Intent had included several elements that looked to: raise skills; gain greater powers in terms of finance, housing, infrastructure and investment; control over public assets, both local and central Government assets; and how to be more accountable to local people. Members noted that the Statement of Intent asked for: Human Capital Development; Long Term Investment; More and Better Homes; Export Responsibilities – “North East International”; Fiscal Devolution; Better Connectivity and Infrastructure Regeneration; and Regulatory Devolution to Councils and Local Communities.

The Strategy Manager reiterated that the Devolution Agreement had been signed on 23 October 2015, and that the agreement was conditional on approval by the Leadership Board, Councils, Ministers, legislative processes, and further public consultation. Members noted that the Government’s Spending Review, to be announced 25 November 2015, may also have an impact on how devolution was taken forward. It was added that a Mayor would be established, working as part of the NECA, and be subject to local democratic scrutiny and strong partnership with business, with elections for a Mayor in 2017.

The Committee were referred to the main headlines in terms of the benefits from devolution, namely:

- The capacity to fund borrowing of £500million to enable NECA to create an Investment Fund for 30 years.
- NECA to work with NELEP to bring forward 5 year programme for Local Growth Fund.
- Borrowing Powers for NECA to be contained in Devolution Bill.
- Intermediate Body status for European Funding.
- Government to ensure “fair funding” for the constituent Authorities.
- Business Rate growth retention scheme.
- Government and NECA to establish a North East Land Board to identify suitable land, public sector or brownfield for housing or economic development use.
- Create North East Planning Development Framework (not a spatial strategy), led by the Mayor.
- Devolve Compulsory Purchase Powers from the HCA.
- Creation of an Employment and Skills board.
- Facilitate devolution of 19+ adult skills budget.
- Join-up Business Support.
- Work to devolve UK Trade and Investment (UKTI).
- Set up a NECA/NHS joint commission reporting in April 2016.
- Create the UK’s first integrated transport system.

- Consolidated local transport budget including local highways and sustainable travel funding (£260 million).
- Establishing and devolving a long-term funding programme to support the Metro.
- Greater influence on franchising rail.
- Extending bus franchising to North East.
- Smart ticketing.

The Strategy Manager noted that longer-term there was scope to:

- Work towards the devolution of rural growth programmes.
- Review possibility of devolution of some regulatory, planning and licensing powers.
- Work with Government to help the North East play a major role in the UK's business, sports and cultural events.
- Consider business cases for relocation of significant Government functions to the North East.
- Look at Airport Passenger Duty.
- Deal to be monitored by a joint Government and NECA Steering Group meeting quarterly with escalating issues of concern to Minister/Leaders.
- Proposals for an appropriate relationship between the Mayor and Police and Crime Commissioners (PCCs), including in relation to the Fire Service, to be developed jointly with PCCs and Fire and Rescue Authorities.

The Committee noted that the next steps would include: a Business and Stakeholder engagement event to be held 9 November at County Hall; public consultation events across the NECA area in November; the announcement by the Chancellor of the Government's Spending Review on 25 November; and the development of an implementation plan, to include governance and resourcing arrangements.

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

Councillor E Adam asked, in terms of the Mayor's role, was it set out how the funding would be allocated for the position. The Strategy Manager noted that in relation to funding for the Mayor's office this would be top sliced, however, the powers and structure of the Mayor's office have not yet been agreed and there could be a range of options from a Mayor and small team supported by Local Authorities, through to a large team, with staff moved from Local Authorities in the NECA to support the Mayor. It was added that Government had not given any expectation in terms of how the Mayor's support would be set up or staffed.

Councillor H Nicholson asked whether all 7 of the Local Authorities comprising the NECA were holding consultations on the issue of devolution. The Strategy Manager noted that list of events would be made available on the NECA website in due course.

Councillor J Armstrong noted the statement relating to "fair funding" and asked who decided what was "fair", adding that moving forward in terms of devolution would be dependent upon public opinion, the details of the Government's Spending Review, and the fairness in funding allocations.

Councillor O Temple noted the Leader of the Council's comments at the meeting of Durham County Council and asked if a Mayor was in place at the NECA, who would lead on issues such as transport, as currently the NECA leads in relation to transport for County Durham and Northumberland. The Strategy Manager noted it was anticipated that the Mayor would lead on transport issues at a regional level. Councillor J Armstrong noted he did believe in devolution, however, there was still a lot of work to be undertaken and clarification to be given in relation to the proposed devolution deal.

Councillor J Clare asked several questions in respect of: whether a Mayor at a devolved NECA could have authority as regards Local Authority assets, such as the current County Council site; whether the position post-devolution as regards any financial commitment to the Metro would be different; clarification in terms of the veto powers of Council Leaders over the powers of a Mayor; and whether any deal as regards devolution would be to accept or reject, or was there scope for negotiation in terms of what we wanted. The Strategy Manager noted that, as he understood the situation, there would be scope for Local Authorities to put land and assets into the NECA, for example land to enable a rail station, however, this would be at the discretion of the Authority. It was added there would be a Local Board that would look at what Government assets could be transferred to Combined Authorities under devolution. In respect of the question as regards the Metro, the Strategy Manager noted there was not yet sufficient detail on this matter. The Strategy Manager noted there was work to be done in terms of the governance arrangements, including the issue of veto, and this would be developed.

The Portfolio Holder for Economic Regeneration, Councillor N Foster noted that in terms of transport issues they would be by agreement, adding that it had been noted that Authorities were doing similar things albeit, for different reasons. Councillor N Foster reiterated that Government had pushed for Mayors as a part of devolution, however, Government had left it for local areas to decide how devolution would look for them and arrangements would be up for negotiation. Councillor N Foster added that it would be smart to look at several questions in terms of a consultation on the issue of devolution, to look at issues such as further powers, and to set out clearly the advantages, opportunities and any risks in relation to each issue.

**Resolved:**

- (i) That the presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further update on the development of the NECA at a future meeting.

## **8 County Durham Plan - Update**

The Chairman introduced the Spatial Planning Team Leader, Regeneration and Economic Development, Michelle Robinson who was in attendance to give an update as regards the County Durham Plan (CDP) (for copy see file of minutes).

The Spatial Planning Team Leader thanked the Chairman and reminded Members of the brief update provided at the last meeting of the Committee concerning the High Court judgment that had quashed the Inspector's report on the CDP.

It was noted that at the last meeting, Members had been keen for the CDP to be considered as soon as possible by a new Inspector. Councillors were reminded that, as part of the agreement with the Department of Local Government (DCLG) and the Court, the CDP had now been withdrawn and would be updated, with the evidence base being refreshed in terms of the most up-to-date information. The Spatial Planning Team Leader explained that elements of the refresh included: economic, population and household forecasting; housing market assessment; employment land review; strategic housing land availability assessment; sustainable transport strategy for Durham City; Local Plan and Community Infrastructure Levy (CIL) viability; and retail needs assessment.

Councillors learned that the CDP would be back for consideration by Members in Spring 2016, following another round of public consultation.

The Chairman thanked the Spatial Planning Team Leader and asked Members for their questions.

Councillor J Armstrong asked whether the sustainable transport strategy for Durham City also incorporated rail, as well as road. The Spatial Planning Team Leader noted the need to ensure that the sustainable transport strategy did not just reference road transport.

Councillor H Nicholson noted the importance of the A19 and A1 corridors and asked as regards their links to trading estates. The Spatial Planning Team Leader noted that there was a huge portfolio of employment land and that this would be reviewed and the best opportunities for development would be identified. Councillor N Foster added that there would also be consideration to safeguard potential sites, those that may come together later in time, even beyond the lifetime of the CDP.

Councillor J Clare noted that with the CDP moving forward it would be important to ensure Members of Planning Committees were given information in terms of the weight to be given to the emerging policies within the CDP document. The Spatial Planning Team Leader noted this was an interim period, however once agreed by Cabinet, colleagues from the Planning Section would be in a position to advise on the weight of policies as the CDP progressed, with the national policies and frameworks in place being the current guide.

Councillor O Temple noted that the previous Inspector's report had been quashed and asked whether the comments made during the examination, in terms of local communities, would be taken into account in developing the new CDP. The Spatial Planning Team Leader noted that there would be the refresh of the evidence base, taking into account changes and views, however, there was a need to be able to get the CDP in place as soon as possible. Councillor N Foster noted there would be a number of consultation events: via the Area Action Partnerships (AAPs); with Local Councillors; sectoral engagement, on issues such as greenbelt; and with non-statutory consultees.

**Resolved:**

- (i) That the presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further update on the progress of the County Durham Plan at a future meeting.



## **9 Economy and Enterprise Overview and Scrutiny Committee Work Programme 2015/16 - Scrutiny of Housing Issues**

The Chairman asked the Principal Overview and Scrutiny Officer, Stephen Gwilym to give an update as regards the Scrutiny of Housing Issues (for copy see file of minutes).

The Principal Overview and Scrutiny Officer explained that the report set out the proposed method for Overview and Scrutiny to engage with the new housing provider, the County Durham Housing Group (CDHG) following the Stock Transfer process. Members were reminded of the previous work undertaken by the Committee in terms of the housing elements that fell within the Altogether Wealthier priority theme and the associated actions, including: Durham County Council's (DCC) Housing Strategy; Housing Solutions, including homelessness and Durham Key Options (DKO); affordable housing; housing regeneration, including renewal schemes; private sector housing, including empty homes, private landlord accreditation and selective licensing; the annual performance monitoring of Durham City Homes, Dale and Valley Homes and East Durham Homes; and the Large Scale Voluntary Transfer (LSVT) process that established the new CDHG.

Members were reminded of the housing functions within the remit of the Portfolio Holder for Assets, Strategic Housing and Rural Issues, Councillor E Tomlinson, areas that the Committee would consider.

The Principal Overview and Scrutiny Officer informed Members that the new CDHG had taken on a series of key duties, obligations and responsibilities, however, there were 19 Service Level Agreements (SLAs) through which the Council would support the CDHG. It was explained that the CDHG would be developing a new series of Performance Indicators (PIs) and that Overview and Scrutiny would have a role in the monitoring of performance, with the Economy and Enterprise Overview and Scrutiny Committee inviting the CDHG to report on progress made in terms of the delivery of the obligations and responsibilities in the Transfer Agreement at its meeting to be held in June 2016.

Members were referred to the arrangements for dealing with day-to-day queries, and the processes in place with the CDHG in dealing with Members' concerns and complaints, and it was highlighted that the Providers' engagement/complaints process would be used rather than Overview and Scrutiny.

The Principal Overview and Scrutiny Officer concluded by reiterating that housing related issues would remain within the Committee's work programme and included: homelessness; DCC Market Housing Scheme; DCC Housing Strategy; and post-transfer monitoring of the Stock Transfer Agreement with CDHG.

The Chairman thanked the Principal Overview and Scrutiny Officer and asked Members for their questions.

Councillor E Adam noted his support for the report and asked whether there would be a single, standardised process in terms of making representations to housing organisations on behalf of residents.

The Principal Overview and Scrutiny Officer noted that each provider would have their own systems in place, adding the Council has representatives on several of the Registered Social Landlord (RSL) Boards as well as the Boards of the constituent CDHG providers, with those Members providing a conduit should there be a problem in terms of progressing an issue. The Housing Solutions Manager, Lynn Hall noted that as there was not a standard process in terms of complaints across all providers it would be key that the processes that were in place were understood and for this information to be made available for Members. The Housing Solutions Manager explained that the Head of Economic Development and Housing, Sarah Robson was Chairman of the County Durham Economic Partnership's (CDEP) Housing Forum and there were sub-groups of the Forum that could look at issues of engaging with Members and complaints accordingly.

Councillor O Temple noted he felt a little out of touch in terms of some of the relationships with the new housing group, and also of the relationship between all providers and the DKO scheme. Councillor J Armstrong added he felt it may be timely to look again at DKO particularly the DKO's process and that this be included within the Committee's work programme.

Members discussed the merits of being able to have some influence in terms of issues, rather than just simply via the formal complaint routes open to residents. Officers noted that while it may be possible in terms of those Boards that had Member representation, some organisations did not have such representation. The Housing Solutions Manager added that she could be contacted to try and help in instances where an issue was not being progressed by an organisation.

**Resolved:**

- (i) That the presentation be noted.
- (ii) That an update in relation to Durham Key Options be provided at a future meeting of the Economy and Enterprise Overview and Scrutiny Committee.

**10 Skills Development supported by Durham County Council within County Durham**

The Chairman asked the Overview and Scrutiny Officer to present the Scoping Report and draft Terms of Reference for the proposed Working Group looking at Skills Development supported by Durham County Council within County Durham (for copy see file of minutes).

The Overview and Scrutiny Officer reminded Members that during the process of refreshing the work programme for the Committee it had been noted that the next project would look at the issue of Skills Development. Members were referred to the scoping report, noting that the group would take into account the national, regional and local context.

Councillors noted that the draft terms of reference referred to comments from some employers that had expressed concern that the current workforce did not have the skills they require, with Members having shared this concern, and had noted it could prevent local people from accessing employment opportunities within County Durham.

It was added that accordingly, the aim of the review would be to understand the role and performance of DCC in supporting skills development within County Durham, examining how it works in partnership, identify any gaps in current skills support provision and identify future skills priorities for the County.

The Overview and Scrutiny Officer explained that it was proposed to have a series of 6 meetings, along with site visits, with Officers from DCC and partners to present information in terms of skills support provided within County Durham. It was added that it was proposed that the Chairman and Vice-Chairman of the Committee, together with the Chairman and Vice-Chairman of Overview and Scrutiny, sit on the Working Group and that volunteers from the Committee would be welcome. The Overview and Scrutiny Officer concluded by noting that following the meetings and visits, it was envisaged that the report of the Working Group would be submitted to Cabinet in July 2016.

The Chairman thanked the Overview and Scrutiny Officer and asked Members for their questions and comments in respect of the scoping document and draft terms of reference.

Councillor J Armstrong noted that the working group should have cross-party representation. Councillor O Temple noted he would be willing to be a part of the Working Group, adding that he felt it would be useful if Members would be able to bring along members of the business community to meetings, as appropriate.

Councillor E Adam noted the scoping report and draft terms of reference, adding that in terms of gaps and barriers there was a number of different areas that would need to be looked at, identifying young people including those Not in Education, Employment or Training (NEETs), adults and employers. Councillor J Armstrong added that transport issues in the County would probably feature as a barrier in terms of accessing training opportunities.

**Resolved:**

That, subject to the comments made by Members, the Terms of Reference for the Skill Development supported by Durham County Council within County Durham Working Group be agreed.

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## **DURHAM COUNTY COUNCIL**

### **ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE**

At a Special Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2, County Hall, Durham** on **Monday 16 November 2015** at **9.30 am**

#### **Present:**

**Councillor R Crute (Chairman)**

#### **Members of the Committee:**

Councillors E Adam, A Batey, J Bell, J Clare, M Davinson, T Henderson, B Kellett, J Maitland, H Nicholson, R Ormerod, P Stradling, O Temple and A Willis

#### **Co-opted Members:**

Mr I McLaren

#### **1 Apologies for Absence**

Apologies for absence were received from Councillors J Armstrong and S Zair.

#### **2 Substitute Members**

No notification of Substitute Members had been received.

#### **3 Declarations of Interest**

Councillor A Batey declared a personal interest in Item 5, having experience of the National Apprenticeship Service. Councillor E Adam declared a personal interest in Item 5 as an employee of Darlington College.

#### **4 Items from Co-opted Members or Interested Parties**

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

#### **5 Apprenticeship Offer within County Durham - Overview**

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

The Employability Manager thanked the Committee for the opportunity to give an update in respect of the apprenticeship offer and reminded Members that previously a successful work placement scheme had operated, utilising the Future Jobs Fund (FJF) and that this scheme had engaged with approximately 875 young people. It was explained that this scheme only required the employer to commit to a young person for a 6 month period, although some did commit for longer, and therefore Durham County Council (DCC) had looked to develop a local programme to support young people into apprenticeship positions. It was added that the County Durham Apprenticeship Programme (CDAP) utilised a variety of funding streams, including: FJF, DCC's RED budget; some AAPs; and from the Coalfields Regeneration Trust. Members were reminded of the role of the National Apprenticeship Service (NAS), with the CDAP linked to the National Apprenticeship Programme.

The Committee were given a breakdown by sector of apprenticeship performance over the period 2012-2015, noting that the highest number were within the "other" category, this encompassing a number of different types of apprenticeship framework. Members learned that there was now the ability to tailor apprenticeship frameworks to best suit the employer and employee in terms of skills training, being able to add modules to a programme as appropriate. It was noted that the programme mainly supported those aged 18-24, mirroring the support offered by the NAS. Councillors noted that there was some flexibility for DCC to assist some people aged 25 or older, each looked at on a case-by-case basis. Members were informed that there was a greater proportion of male participants, however, the numbers of female participants was increasing.

The Employability Manager explained that in the past there had been a predominance of Level 2 qualifications in terms of apprenticeships this was changing, with a larger proportion of Level 3 qualifications, and some Level 4 qualifications, now being taken. It was added that it was hoped to build and continue to increase the numbers of higher level apprenticeships, including Levels 4 and 5.

Members were referred to the funding and number of apprenticeship starts by AAP area, noting some AAPs had not contributed even though there had been a number of apprenticeship starts. With the exception of Durham City AAP, those AAP's which had not contributed financially do support the mentoring programme working with officers from the RED Service Grouping. It was noted that while AAPs may contribute financially for an initial number of apprentices, as interest is generated more applicants come on board which generates more funding from DCC and other funding sources and can therefore provide greater value. Councillors were reminded that several AAPs had jobs/employability as a priority and a lot of the interest came from small and micro-businesses.

The Committee noted that there were 34 training providers that DCC dealt with in terms of the apprenticeship programme, and that as each were their own business, the RED Skills Team kept in regular contact with providers to remind them of what DCC can offer. It was added that in some cases it was disappointing that referrals to the NAS were being made by the providers without letting the employers know that there was possible assistance available from the Council, not just in terms of financial help (an employer who take on a County Durham resident as an apprentice is entitled to receive £1,000 top up grant), also in terms of mentoring support.

Members noted that the training providers engaged with included four County Durham colleges: New College Durham; Derwentside; East Durham; and Bishop Auckland; as well as other colleges from the region and specialist providers including: Profound; Construction Industry Training Board (CITB); Ingeus, South West Durham Training (SWDT); the North East Chamber of Commerce (NECC).

The Employability Manager explained that the County Durham Apprenticeship Programme did not require an employer to be within the County, as long as the apprentice was a resident, and reiterated that the financial assistance given to employers was more often just “a cushion”, and that a lot of value was actually in the continued mentoring and support given. It was noted it was important for DCC to maintain these relationships to make any apprenticeship sustainable, and to look to develop further apprenticeship opportunities in the future. Councillors learned that AAPs looked to support local people or local employers, and in some cases had a specific employment sector they wished to support, such as engineering.

The Committee noted a pilot scheme operated in conjunction with Public Health that looked to help Teenage Parents into apprenticeship positions. It was added that there was significant funding available from Public Health, up to £3,000 for employers on top of the £1,500 from the NAS and a potential £1,000 in terms of “transition support”. It was noted there was some flexibility in terms of the use of money for wages or training and it was reiterated that mentoring and support would help to maintain any apprenticeship and develop relationships to enable further starts in the future.

The Employability Manager informed Members of 3 cases studies highlighting apprenticeship successes, the first being the Great Annual Savings Group. It was explained that Business Durham had assisted the company in relocating to County Durham and while they brought their existing team with them, following some successes the business had looked to recruit and approached DCC in June for 10 apprenticeship starts for September. It was added that the Council put forward a number of young people and the company were very happy with their progress and were looking to have another 10-12 starts next year. Members noted that the company were very supportive and offered training and options for qualifications over and above the usual offer.

Councillors noted that there were several examples of successful apprenticeship starts via Sedgefield Sports Partnership, based at Chilton Primary School. It was explained that they had taken on a number of apprentices who were then seconded out to work in other schools. Members noted that all the apprentices were still working towards Level 2 qualifications and gaining valuable work experience. It was noted that the Partnership was looking for approximately 30 further apprenticeship starts, with DCC looking to match up suitable young people.

The Employability Manager referred to a case where the Teenage Parent programme had assisted a young father into a 3 year engineering apprenticeship, with support including equipment such as a laptop, as well as advice and mentoring. It was added that the young person had been “headhunted” by another company, and therefore the Council was looking to assist the original company in backfilling their apprenticeship vacancy.

Councillors were informed of the work ICT apprentices taken on by DCC, with the Head of ICT Services leading on the scheme to involve having the apprentices shared across a number of public and private sector bodies, giving them additional skills and making them better equipped for the ICT sector in the future. It was also noted that there was work to enable DCC to become an Apprenticeship Training Agency (ATA) in this sector, however, discussions were ongoing as regards how this would operate in practice, with a pilot of the ATA planned for early 2016.

The Employability Manager noted that at the regional level, the Apprenticeship Growth Partnership was looking to encourage higher level apprenticeships, at Levels 4 and 5, adding it was hoped that DCC could work to promote and support these higher level apprenticeships, with both young people and employers.

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

Councillor J Maitland asked where the DCC Team dealing with apprenticeships was based, with the Employability Manager noting they were based at Spectrum Business Park, Seaham.

Councillor R Ormerod noted the positive portrayal of teenage parents through the apprenticeship programmes, and felt their successes should be publicised and celebrated.

Councillor E Adam noted the information as regards the levels of qualifications offered, Level 2 and above, however asked whether there was any information as regards "traineeships" as this could prove to be an initial step for some young people, for example NEETs. The Employability Manager noted that it was a valid point in terms of traineeships having their place in terms of skills development, however, there had been very little take up by employers. Members noted that, through Generation North East, DCC worked with referrals from JobCentre Plus and were more likely candidates for traineeships and that the Employability Manager could look to find out as regards the number of work placements. Councillor E Adam noted that he felt that it could be that employers believed it would be too much hassle in facilitating trainees at the lower levels and added that therefore this was an area in which support and mentoring would be key in convincing employers that investing in a trainee's skills would be worth their time and effort. The Employability Manager noted that small and medium sized enterprises (SMEs) were less likely to take on trainees, citing issues of supervision, however larger companies were able to set aside resources to help a young person progress via a traineeship.

Councillor O Temple asked why some providers were not promoting the assistance DCC offered, both in terms of financial and mentoring support, and whether the funding for Teenage Parent Apprentices was available over 3 years, noting the nature of the engineering example given. The Employability Manager explained that the funding in terms of Teenage Parent Apprentices could be spread over 2 years, as this is the minimum employers must commit to, however, in the main apprenticeship funds were to act as a buffer for employers for the first 12-18 months. Members noted that for the highest level apprenticeships, Levels 4 and 5, it would be possible to have funding spread out over a longer period, however, there was always the element of "risk versus reward" for employers, noting that they were investing in young people.



In terms of providers not passing on information to employers in terms of assistance DCC could offer, it was explained that as funding from the Skill Funding Agency (SFA) was via the NAS then this was the paperwork that was required to be completed by providers. It was added that as there was no funding from DCC to providers in this respect, then providers' focus would be on the NAS paperwork. The Employability Manager noted that providers should simply pass on the DCC details to the employer involved and DCC could then get involved, noting that where details are provided to employers they do contact the Authority.

Councillor O Temple noted that he felt it was for the Committee to look at the challenge of getting the message across to employers of what DCC could offer, understand why and improve the situation in terms of providers referring employers to DCC. The Employability Manager noted that while there were cases of non-referral, this was not the case for all apprenticeships starts.

Councillor H Nicholson referred to page 7 of the agenda pack, paragraph 32 and the "increased level of input from businesses to the whole process". The Employability Manager reminded Members that there was the flexibility to add-in modules that would help fit the apprenticeship to the needs of the employer and that by listening to businesses DCC could give employers the framework for the apprentices they need.

The Chairman asked whether there was any scope for retrospective grants via DCC, should a referral to DCC be made by an employer later in the apprenticeship process. The Employability Manager noted that such issues would be looked at on a case-by-case basis.

Councillor O Temple asked whether once registration with the SFA or NAS had been completed, information could be passed onto DCC to allow us to them become involved, providing the support as described. The Employability Manager explained that the NAS had shrunk over the last few years, noting that in the past there had been a member of NAS staff embedded within the Council's RED Directorate and this had enabled information to be shared relatively easily, however, this was not the case now and there was no automatic trigger informing DCC of apprenticeship starts. Councillor A Batey noted examples of two referrals to the NAS by a provider, with one going forward, one not, and neither having been referred to DCC for any assistance they could offer. Councillor A Batey added that she felt it was an area the Review Group could look at, recommending that "checklist" was followed in terms of providers when they completed the NAS paperwork, there was a step to inform DCC, and give the employers information of what DCC could offer. Councillor A Batey noted that the mentoring support DCC offered was important in sustaining apprenticeships and therefore it would be important for DCC to be involved to be able to: inform employers of what the implications of taking on an apprentice actually were in terms of cost and support; help young people in their apprenticeship; and to be able to monitor progress via some form of "passport" system. The Employability Manager explained that DCC would speak to employers as regards the financial obligations of taking on an apprentice, including issues such as the SFA paying for training for those aged 16-18, however, the employer must meet 50% of the cost should the apprentice be aged 19 year or older.

Councillor E Adam noted, in his experience working for a training provider, that often it can be difficult for providers, with complex systems and Governments changing the goalposts in terms of different schemes.

Councillor E Adam added that the support offered by DCC would be looked at as being an outside service, an “add-on” to that of the NAS, and that those providers that did not have close links to the Council may not recognise the opportunity. Councillor E Adam noted cuts to Local Government and Education, including adult training, and noted that as providers had reducing staff numbers, including the loss of experienced staff through retirement, there was less scope for new staff to be trained in terms of all the schemes and programmes that were coming on-stream.

Councillor E Adam noted it was important to be able to develop the networks by which providers, colleges, Business Durham, Employers’ Federations can come together and discuss what skills were needed. The Employability Manager noted that he met with Business Durham on a weekly basis and attended the business forums held at Newton Aycliffe and Peterlee. It was added marketing of the DCC service was important and the use of websites may not be the most effective methods, with social media playing a greater and greater role in being able to communicate effectively. The Employability Manager added that DCC worked with individuals directly noting that, through the Generation North East, DCC approached the employers themselves looking to identify a suitable young person matching the needs of that employer. It was added that DCC gave information to both employers and young person and would look to support the young person through mentoring and coaching for interviews, as required.

Councillor J Clare asked if AAP funds were included in the amount set out as being DCC funding or separate and whether it represented all apprentices or only those that were DCC funded. The Employability Manager noted that the AAP funds were included within the DCC amounts as set out and added that the figures related to DCC funded apprenticeship starts. Councillor J Clare noted the difference in the “effectiveness” of AAP funds, with some appearing to get better value for money. The Employability Manager explained that AAPs would look to submit an amount towards funding a number of apprenticeships starts, however, in some cases information as regards the apprenticeships spreads within the local community and the number of people applying to DCC from those areas increases, so accordingly in those instances there appears to be a lot more starts for the initial input from the AAP. It was added that AAPs do usually stipulate that starts are for local young people or local businesses.

Councillor J Clare noted that, in his experience, a number of young people post-16 were often repeating lower level training they had already received at school and he felt this was disappointing. Councillor J Clare asked whether there was a danger in frameworks being too bespoke, leaving young people trained for a very specific role that may disappear should a business fail. Councillor J Clare noted he supported the idea of a “passport” that would accompany a young person in order to monitor progress and destinations, helping to ensure that they were not repeating courses. The Employability Manager noted that DCC did monitor the apprentices that start via the DCC programme regularly, with an “exit strategy” being developed for each young person. It was added that figures on destinations could be obtained. The Employability Manager noted that in some cases the “repeating” of a Level 2 qualification may not be an issue as when the qualification was outside of school there were differences, such as actual work experience, that can be more valuable for the young person, enabling them to get the grades and experience required to move on to the next level, either in terms of further qualifications or work.

The Chairman asked whether AAP funding was aligned to the AAPs' priorities. The Employability Manager noted funding was aligned to priorities, with several AAPs having identified employability and jobs as a priority, with RED working with AAPs to add value.

Councillor R Ormerod asked how the £1,000 offered by DCC compared to amounts offered by other Local Authorities nationally. The Employability Manager noted that nationally the average in terms of financial support was around £2,500-3,000.

Councillor E Adam noted, in response to comments as regards a "passport" for young people, that a "passport" did exist in terms of a document signed by all parties involved with a young person's training. It was added that this document was updated at least every 12 weeks, and maintained for a minimum of 12 months, though in the case of some longer apprenticeship frameworks this could be up to 48 months. It was explained at the end of the training there would be a "destination report" and that the quality of the document and it being up-to-date was an issue of having good providers, good employers and good mentoring all in place to support the young person. Councillor E Adam added that a lack of resources can be a reason that affects the quality of any monitoring process.

The Chairman thanked the Employability Manager for the information and noted that Members had raised points in relation to potential recommendations in terms of systems being in place to ensure a trigger for DCC to be kept in the loop, whether this was required at a regional or national level, involving the NAS and SFA. Councillor P Stradling noted that the issue of retrospective support via DCC, should an apprenticeship have already started. Members noted that this was in the context of understanding that there was not an infinite pot of funding available for such retrospective support.

Councillor H Nicholson noted that he felt that it should be an aim for a Level 3 qualification as a minimum, adding he felt that in some cases a Level 2 qualifications could not sustain the interest of young people and that a Level 3 qualification helped to motivate and focus the young people on working hard, better for both the young people themselves and the employers.

The Employability Manager noted he could speak to the NAS/SFA as regards a potential trigger to alert DCC, adding the NAS provide the Council's Children and Adults Services (CAS) Directorate with information. It was reiterated that retrospective support was offered, however, this was on a case-by-case basis. The Employability Manager noted that there would be the high level apprenticeship pilot, however, there was a need to cater to the abilities of young people, with Level 2 being a starting point for many in a longer journey to develop their skills. Councillor H Nicholson noted that this was the case, however added that it should be an ambition to have more Level 3 apprentices than Level 2 at some point in the future. Councillor J Clare agreed that it was important to have the ability to cater for all young people that wanted to take a vocational route, however, it was also important that the issues raised were looked at to ensure that young people were moving forward and progressing.

Councillor J Clare added that from the information received it was clear DCC were trying to support young people and it was for the Committee to support this and to look to see what more could be done.

**Resolved:**

- (i) That the report and presentation be noted.
- (ii) That the Employability Manager investigate with the NAS and training providers the possibility of incorporating in the current apprenticeship funding model a 'trigger' to signpost employers to DCC for additional funding when the apprentice is a resident of County Durham.
- (iii) That DCC retains the potential to make retrospective payments, looking at applications on an individual basis, to employers of apprentices who are County Durham residents.
- (iv) That the progress towards higher level apprenticeships within the County, Level 3 to Level 5 is monitored by DCC with a progress update provided to the Economy and Enterprise Overview and Scrutiny Committee.
- (v) That comments and issues raised by members during the meeting be incorporated into the evidence of the Economy and Enterprise Overview and Scrutiny review of Skills Development within County Durham supported by Durham County Council.

**Economy and Enterprise  
Overview and Scrutiny  
Committee**



**8 January 2016**

**Housing Strategy - Update**

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

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**Purpose of the Report**

- 1 To provide members of the Economy and Enterprise Overview and Scrutiny Committee with an update on the development of the Housing Strategy prior to a presentation by Graeme Smith, Principal Policy Officer.

**Background**

- 2 Members will recall that, at the Economy and Enterprise Overview and Scrutiny Committee on the 8<sup>th</sup> January 2015, an overview report and presentation was provided on the development of the County Durham Housing Strategy (2015 – 2020).
- 3 The report and presentation provided at the meeting on the 8<sup>th</sup> January 2015 set out:
  - the context to the development of the Housing Strategy;
  - the policy context in which the Housing Strategy is being developed;
  - an overview of the evidence base underpinning the Strategy;
  - the proposed structure and scope of the Strategy; and
  - the project plan.
- 4 At the Committee members highlighted concerns in respect of the need to ensure that tenure and housing type/mix was appropriate in order to meet the needs of residents throughout the County. Members suggested that the Council should reinforce the principle that sufficient numbers of affordable homes within the County needed to be delivered. These matters will be considered as part of the presentation on the 8<sup>th</sup> January 2016.
- 5 Within the report and presentation it was highlighted that a further update would be provided to the Economy and Enterprise Overview and Scrutiny Committee at the meeting on the 20<sup>th</sup> February 2015. The report prepared for this meeting provided an overview of feedback from the Partnership engagement sessions undertaken on January 2015. However, the corresponding presentation was not provided in order to enable sufficient time to understand the implications of the Inspector's Interim Findings on the

County Durham Plan<sup>1</sup> on the Housing Strategy and related evidence base. The presentation on the 8 January 2016 will focus on:

- An overview of the impact of the Inspector's Interim Findings in relation to the County Durham Plan on the Housing Strategy.
- The Housing Strategy and tenure, type and mix and affordable housing in County Durham.
- An update on the development of the Strategy, the Action Plan and Partnerships.

## **Housing Strategy Development Update**

- 6 There are three components to the County Durham Housing Strategy:
- Part A: The Strategy;
  - Part B: The Action Plan; and
  - Part C: The delivery Partnerships.

### Part A: The Strategy

- 7 The Strategy is structured around a series of aims, objectives and issues. This structure has been agreed through discussion with the Economy and Enterprise Overview and Scrutiny, the Housing Forum and partners. The structure provides a framework to collate evidence and to develop content across the identified issues in order to develop the Strategy. However, the Inspector's Interim Findings on the County Durham Plan suggested that some parts of the evidence and related policy approaches associated with the County Durham Plan were unsound. This evidence was also underpinning elements of the Housing Strategy; therefore the Inspectors Interim Findings have had an impact upon the development of the Strategy. The Strategy content will also be required to reflect the most up to date evidence base and recent Government policy changes.

### Part B: The Action Plan

- 8 The performance against the delivery of the Housing Strategy actions is reported to the Housing Forum on a quarterly basis. The 2015/16 Action Plan presently consists of actions that have been carried over from the previous Action Plan. In total, 13 actions were carried over from the previous Action Plan. The actions in the current Action Plan relate to the activities of 6 separate partnerships. This Action Plan will, been supplemented by new actions that are agreed through the partnerships. This will include the actions from the Affordable Warmth Action Plan and the Homelessness Partnership Action Plan. Further actions are emerging through the partnerships. These will be subject to approval by the Housing Forum.

### Part C: Partnerships

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<sup>1</sup> The Council received the Inspector's Interim Findings on the County Durham Plan on the 18<sup>th</sup> February 2015

- 9 The Housing Strategy will be a strategy for County Durham. The Strategy is being developed with the input from stakeholders and will be delivered in partnership. The development of the new Housing Strategy provides an opportunity to consider a future partnership structure which best reflects the content of the Strategy and associated issues.

### **Recommendations**

- 10 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 11 That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress update on the strategy as part of the future work programme.

### **Background Papers:**

The Current Housing Strategy - Building Altogether Better Lives: A Housing Strategy for County Durham 2010 – 2015. Issues & Options Paper: Consultation Version June 2010

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## **Appendix 1: Implications**

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**Finance** – None

**Staffing** –None

**Risk** – None

**Equality and Diversity** – Equality and Diversity is identified as an issue under the Cross Cutting Themes as part of the Housing Strategy.

**Accommodation** - None

**Crime and Disorder** – None

**Human Rights** – None

**Consultation** – The Housing Strategy in part, reflects existing Plans. These plans have been subject to publicity and consultation as part of production. The Housing Strategy will be developed within input from partners and will be delivered in partnership with key stakeholders.

**Procurement** – None

**Disability Discrimination Act** –None

**Legal Implications** – None



**Economy and Enterprise Scrutiny  
Committee**

**8 January 2016**



**Regeneration and Economic  
Development Service – Quarter 2:  
Forecast of Revenue and Capital  
Outturn 2015/16**

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**Joint Report of Corporate Director – Regeneration and Economic  
Development and Corporate Director - Resources**

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**Purpose of the Report**

1. To provide details of the forecast outturn budget position for the Regeneration and Economic Development (RED) service grouping highlighting major variances in comparison with the budget based on the position to the end of September 2015.

**Background**

2. County Council approved the Revenue and Capital budgets for 2015/16 at its meeting on 25 February 2015. These budgets have subsequently been revised to account for grant additions/reductions, budget transfers between service groupings and budget reprofiling between years. This report covers the financial position for the following major accounts maintained by the RED service grouping:

- *RED Revenue Budget - £26.448m (original £25.459m)*
- *RED Capital Programme – £42.215m (original £39.747m)*

3. The original RED General Fund budget has been revised to incorporate a number of budget adjustments as follows:

- Transfer of repairs & maintenance budgets to Neighbourhoods Services -£3k
- Transfer of Crimdon Park and beaches budgets from neighbourhoods Services +£15k
- Reduction in energy budgets to reflect corporate savings -£32k
- Reduction in Concessionary Fares budget to reflect lower contract payments -£400k
- Reduction in Carbon Tax CRC to reflect corporate savings -£64k
- Reduction in water charge budgets to reflect corporate savings -£1k
- Fleet Depreciation and Insurance adjustment -£15k
- Use of strategic reserves for redundancies for MTFP savings +£9k

- Use of Corporate Reserve – Office Accommodation +£742k
- Security costs for Whinney Hill School +£35k
- Corporate Saving Adjustment Car Allowances +£34k
- Use of RED reserves to fund relevant service expenditure +£669k

The revised General Fund Budget now stands at £26.448m.

4. The summary financial statements contained in the report cover the financial year 2015/16 and show: -
- The approved annual budget;
  - The actual income and expenditure as recorded in the Council's financial management system;
  - The variance between the annual budget and the forecast outturn;
  - For the RED revenue budget, adjustments for items outside of the cash limit to take into account such items as redundancies met from the strategic reserve, capital charges not controlled by services and use of / or contributions to earmarked reserves.

#### Revenue - General Fund Services

5. The service is reporting a cash limit under budget of **£0.632m** against a revised budget of **£26.448m**. This compares with an under budget of **£0.293m** reported at Quarter 1.
6. The tables below compare the actual expenditure with the budget. The first table is analysed by Subjective Analysis (i.e. type of expense), and the second by Head of Service.

#### Subjective Analysis (£'000)

£'000	Annual Budget	YTD Actual	Forecast Outturn	Variance	Items Outside Cash Limit	Cash Limit Variance
<b>Employees</b>	27,736	14,882	28,354	617	-250	<b>367</b>
<b>Premises</b>	3,696	3,172	4,306	610	0	<b>610</b>
<b>Transport</b>	934	342	820	-114	0	<b>-114</b>
<b>Supplies and Services</b>	13,469	5,530	14,669	1,200	-452	<b>748</b>
<b>Agency and Contracted</b>	19,719	10,155	19,117	-602	0	<b>-602</b>
<b>Transfer Payments</b>	95	1	20	-75	0	<b>-75</b>
<b>Central Costs</b>	10,522	607	10,596	74	0	<b>74</b>
<b>GROSS EXPENDITURE</b>	<b>76,171</b>	<b>34,709</b>	<b>77,970</b>	<b>1,711</b>	<b>-589</b>	<b>1,007</b>
<b>INCOME</b>	-49,723	-24,898	-51,640	-1,917	288	<b>-1,639</b>
<b>NET EXPENDITURE</b>	<b>26,448</b>	<b>9,811</b>	<b>26,240</b>	<b>-208</b>	<b>-424</b>	<b>-632</b>

## Analysis by Head of Service (£'000)

Head of Service Grouping	Annual Budget	YTD Actual	Forecast Outturn	Variance	Items Outside Cash Limit	Cash Limit Variance
Strategy Programmes Performance	1,778	950	1,737	-41	0	-41
Economic Development & Housing	7,052	1,998	6,674	-378	-61	-317
Planning & Assets	5,735	3,139	6,080	345	-189	157
Transport & Contracted	1,378	3,469	1,244	-133	-298	-431
Central Managed Costs	10,505	255	10,505	0	0	0
<b>NET EXPENDITURE</b>	<b>26,448</b>	<b>9,811</b>	<b>26,240</b>	<b>-208</b>	<b>-424</b>	<b>-632</b>

7. Attached in the table below is a brief commentary of the variances with the revised budget analysed into Head of Service groupings. The table identifies variances in the core budget only and excludes items outside of the cash limit (e.g. concessionary fares) and technical accounting adjustments (e.g. capital charges):

Head of Service	Service Area	Description	(Under) / Over budget £'000	(Under) / Over budget £'000
Strategy Programmes Performance	Head of SPP	Minor variance	(3)	(41)
	Strategy, Policy, Partnerships & Support	£33k underbudget on Employees due to vacancies. £5k overbudget on Supplies and Services. £3k additional income.	(31)	
	County Durham Economic Partnership	Minor variance	2	
	Planning & Performance	£9k underbudget on Employees.	(9)	
	Funding and Programmes	No variances	0	
Economic Development & Housing	Head of Economic Development	£33k reduced Groundworks contribution	(33)	(317)
	Physical Development	£56k underbudget on Employees due to restructuring £22k additional income	(78)	
	Visit County Durham	£88k savings on Employees due to staff secondment to Visit England	(88)	
	Business Durham	£25k overbudget on Employees £53k overbudget on Premises £88k underspend on Supplies and Services	(10)	
	Economic Development	£11k overbudget on Employees	11	
	Housing Solutions	£21k overbudget on Employees £140k residual income from FamilyWise project	(119)	
Spatial Policy, Planning Assets &	Head of SPPAE	Minor variance	7	
	Spatial Policy	Agreed overbudget on Local Development Framework	190	

Head of Service	Service Area	Description	(Under) / Over budget £'000	(Under) / Over budget £'000
Environment	Development Management	£55k underbudget on Employees £12k underbudget on Transport £25k overbudget on Supplies and Services £50k agreed overbudget on Planning Appeals Field House , Hamsterly Hall and County Hospital £203k overachieved planning fee income	(195)	157
	Building Control	£5k underbudget on Employees £2k overbudget on Transport £49k underbudget on Supplies and Services	(52)	
	Environment & Design	£64k underbudget on Employees £10k underbudget on Transport £43k underbudget on Supplies and Services £13k overachieved income i.e. Corona Refund on automatic charging	(130)	
	Asset Management	£34k overbudget on Employees £56k overbudget on Supplies and Services £247k under achieved income re Newgate Street Bishop Auckland , Millennium Square, Brackenhill Centre Peterlee and Beveridge Arcades	337	
Transport	Head of Transport	£13k overbudget of which £11k relates to spend on legal costs for Durham Tees Valley Airport	13	
	Traffic	£13k overbudget on employees from unrealised vacancy savings £55k net overbudget on parking services mainly due to increased third party costs	68	
	Sustainable Transport	£39k overbudget on salary costs mainly due to unrealised vacancy savings and unbudgeted standby payments £355k net underbudget on third party payments mainly due to reduced Bus & Rail contract prices £10k overbudget on departure charge income	(326)	

Head of Service	Service Area	Description	(Under) / Over budget £'000	(Under) / Over budget £'000
	Supported Housing	£97k overbudget on employee costs mainly due to unbudgeted 24/7 cover for holidays and sickness (£82k) and unrealised vacancy savings (£15k) £174k underbudget on supplies and services mainly due to planned underspend on equipment and efficiency changes in telephone charges £58k underbudget on third party payments mainly due to further rationalisation in CCTV circuits £51k overbudget on income mainly due to increased self paying client numbers	(186)	(431)
Central	Central Costs	No variances	0	0
<b>TOTAL</b>				<b>(632)</b>

8. In summary, the service grouping is on track to maintain spending within its cash limit. It should also be noted that the estimated outturn position incorporates the MTFP savings required in 2015/16 which amount to £1.3m.

### Revenue – Housing Revenue Account (HRA)

9. On 13 April 2015, the Council transferred its housing stock of 18,500 dwellings to County Durham Housing Group. Consent was received from the Secretary of State to close down the HRA any time from 30 April 2015 onwards as the Council is no longer a social housing landlord and not required to maintain a ring-fenced HRA.
10. There were and continue to be some residual transactions taking place reflecting the relatively short period of activity in 2015/16 and also other costs including those associated with delivering stock transfer in April which have been met from available income. The HRA will now be closed.

### Capital Programme

11. The RED capital programme makes a significant contribution to the Regeneration ambitions of County Durham. The programme is relatively large and comprises over 138 schemes managed by 25 project delivery officers.
12. The Regeneration and Economic Development capital programme was revised at Outturn for budget rephased from 2014/15. This increased the 2015/16 original budget. Further reports to the MOWG in May and June detailed further revisions, for grant additions/reductions, budget transfers and budget reprofiling into later years. The revised budget now stands at **£42.215m**.

13. Summary financial performance to the end of September is shown below.

<b>Service</b>	<b>Original Annual Budget 2015/16 £000</b>	<b>Revised Annual Budget 2015/16 £000</b>	<b>Actual Spend to 30 September £000</b>	<b>Remaining Budget £000</b>
Economic Dev & Housing	13,104	14,350	4,273	10,077
Planning & Assets	9,250	10,451	2,156	8,295
Transport & Contracted	16,893	16,920	3,188	13,732
Strategy & Programmes	500	494	0	494
<b>Total</b>	<b>39,747</b>	<b>42,215</b>	<b>9,617</b>	<b>32,598</b>

14. Actual spend for the first three months amounts to **£9.617m**. **Appendix 2** provides a more detailed breakdown of spend across the major projects contained within the RED capital programme.
15. The key areas of spend to date have been on Disabled Facilities Grants (£1.423m), Structural Capitalised Maintenance (£1.956m), Transport Corridors (1.192m) and the Local Transport Plan (£1.069m). Other areas of the programme are profiled to be implemented during the remainder of the year it is anticipated that the projected outturn at 31 March 2016 will be in line with the revised budget.
16. At year end the actual outturn performance will be compared against the revised budgets and service and project managers will need to account for any budget variance.

**Recommendations:**

17. The Scrutiny Committee is requested to note the contents of this report.

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## **Appendix 1: Implications**

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### **Finance**

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

### **Staffing**

None.

### **Risk**

None.

### **Equality and Diversity / Public Sector Equality Duty**

None.

### **Accommodation**

None.

### **Crime and disorder**

None.

### **Human rights**

None.

### **Consultation**

None.

### **Procurement**

None.

### **Disability Issues**

None.

### **Legal Implications**

None.

## Appendix 2: RED Capital Programme 2015-16

<b>General Fund</b>	<b>Revised Annual Budget £000</b>	<b>Profiled Budget £000</b>	<b>Actual Spend to 30 September £000</b>	<b>Remaining Budget £000</b>
<b>Economic Development &amp; Housing</b>				
Barnard Castle Vision	492	184	94	398
Durhamgate	320	252	252	68
Industrial Estates	637	375	432	205
North Dock Seaham	904	213	288	616
Office Accommodation	206	1	1	205
Town Centres	4,060	515	551	3,509
Minor Schemes	672	501	472	200
Disabled Facilities Grant /FAP (1)	4,531	1,611	1,423	3,108
Gypsy Roma Travellers	323	26	27	296
Housing Renewal	2,205	821	733	1,472
<b>Planning &amp; Assets</b>				
Renewable Energy Schemes	1,075	120	109	966
Structural Capitalised Maintenance	8,367	1,962	1,956	6,411
Woodham Community Tech College	750	0	0	750
Minor Schemes	259	89	91	168
<b>Transport &amp; Contracted Services</b>				
Local Transport Plan	3,377	1,203	1,069	2,308
Transport Corridors	1,115	534	1,192	-77
Transport Major Schemes	11,981	733	661	11,320
Transit 15	104	27	25	79
CCTV	93	35	26	67
Minor Schemes	250	215	215	35
<b>Strategy &amp; Programmes Minor Schemes</b>				
	494	3	0	494
<b>RED Total</b>	<b>42,215</b>	<b>9,420</b>	<b>9,617</b>	<b>32,598</b>

(1) Financial Assistance Programme



**Economy and Enterprise  
Overview and Scrutiny Committee**

**8 January 2016**



**Quarter Two 2015/16  
Performance Management Report**

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

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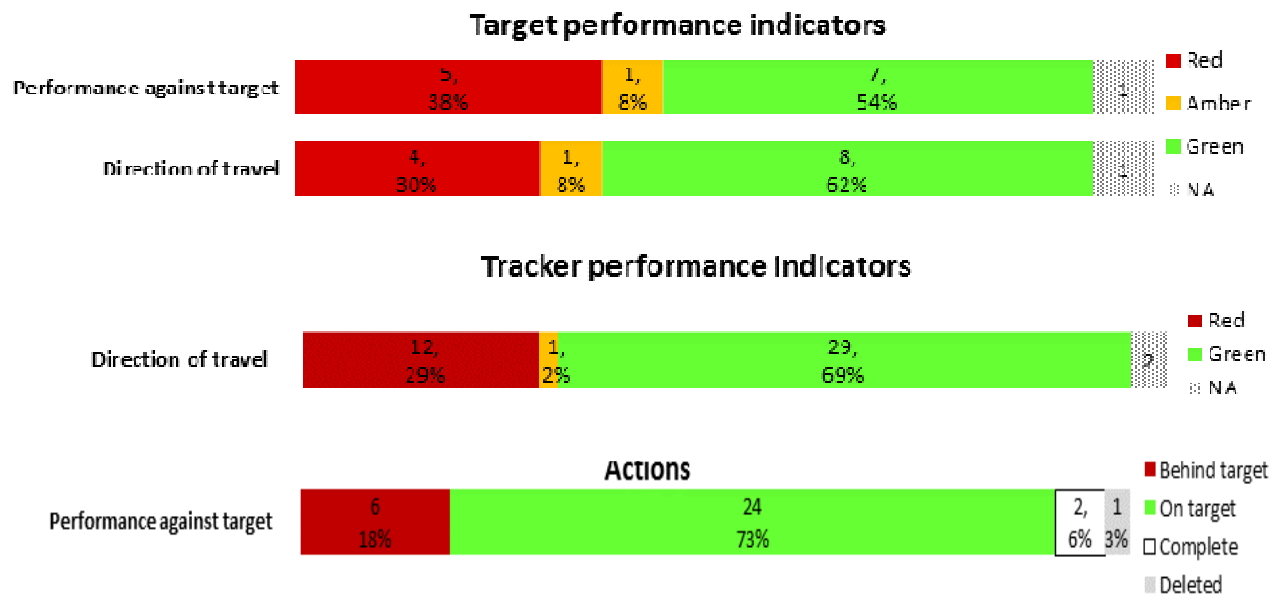
**Purpose of the Report**

1. To present progress against the council's corporate basket of performance indicators (PIs), Council Plan and service plan actions and report other performance issues for the second quarter of the 2015/16 financial year, covering the period July to September 2015.

**Background**

2. The report sets out an overview of performance and progress by Altogether priority theme. 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 (see Appendix 3, table 1); 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 (see Appendix 3, table 2).
3. The report continues to incorporate a stronger focus on volume measures in our performance framework. This allows us to better quantify productivity and to monitor the effects of reductions in resources and changes in volume of activity. Charts detailing some of the key volume measures which form part of the council's corporate set of performance indicators are presented in Appendix 4.
4. The corporate performance indicator guide provides full details of indicator definitions and data sources for the 2015/16 corporate indicator set. This is available to view either internally from the intranet (at Councillors useful links) or can be requested from the Corporate Planning and Performance Team at [performance@durham.gov.uk](mailto:performance@durham.gov.uk).

## Altogether Wealthier: Overview



## Council Performance

### 5. Key achievements this quarter include:

- a. The number of affordable homes delivered increased from 50 in quarter one to 136 in quarter two, exceeding the quarterly target (40). Of these, 89 units were classed as older person's affordable units for rent and were delivered through the National Affordable Homes Programme. The remaining 47 units were delivered through section 106 agreements with developers. Since April, 186 units have been delivered equating to 74% of the annual target and exceeding performance for the same period last year (157). 17 of these units were carried forward from the 2014/15 programme.
- b. The empty homes programme, which provides financial assistance to owners to bring long-term empty properties back into use, continues to perform highly with an outturn of 56 this quarter against a target of 30. Between April and September a total of 121 long term empty properties have been brought back into use, achieving the annual target of 120 and exceeding performance for the same period last year (61). The Private Sector Improvement Team will continue to use interventions such as grants/loans, engagement, encouragement, and working with registered providers to bring additional properties back into use throughout the remainder of the year.
- c. The number of private sector properties improved through local authority intervention has increased from 103 in quarter one to 130 in quarter two however this did not meet the quarterly target of 149. Between April and September 233 properties were improved, which is higher than for the same period last year (151).
- d. Provisional data for the 2014/15 academic year indicate that the overall success rate of adult learning funded through the Skills Funding Agency was 92%, exceeding the target of 88%. This is an increase from 87% last year and is higher than the provisional national average of 87.6%.

e. Tracker indicators show:

- i. Housing development indicators have generally improved this quarter:
  - 302 net homes were completed, bringing the total for April to September to 632, which is higher than the same period last year (568).
  - 191 homes were completed in and near major settlements, which equates to 63% of total completions. This percentage is much higher than last quarter (39%) and follows a similar trend to last year when there was a significant rise from quarter one (35%) to quarter two (51%). There are a lot of ongoing sites in major towns in the south of the county and new sites in and around Durham City which are contributing to this figure.
  - There were 26 new housing completions in Durham City, which was 8.5% of the total completions in County Durham. This is slightly higher than last quarter (20) and significantly higher than quarter two 2014/15 (3). Completions in Durham City between April and September (46) have now exceeded the annual total for 2014/15 (40). A number of sites in the city with permissions are now being implemented.
- ii. Homelessness indicators have also improved this quarter with preventions increasing from 276 last quarter to 330. Performance also improved from the corresponding period last year (322). There were 32 acceptances of a statutory homelessness duty. This was an 11% decrease from quarter one (36) and a 37% decrease compared to the same period last year (51). This continuing downward trend has been seen since the Gateway service was implemented to provide specialist assessment, support and guidance to those who are homeless, threatened with homelessness or seeking housing options. Cases are dealt with at first point of contact and only the complex homeless cases are dealt with by the Homeless and Prevention Team, who have now more time to deal with these cases.
- iii. Tourism indicators have generally improved. Recently published data from a 2014 annual report on the economic impact of tourism has shown that compared to 2013:
  - The number of visitors to the county increased 1% from 17.9 million to 18.1 million, which is a positive result given the recent economic pressures.
  - The increase in visitors and staying visitors, who spend more per trip than day visitors, resulted in the amount generated by the visitor economy increasing from £728 million to £752 million.
  - There was a slight decrease in the number of jobs supported by the visitor economy from 10,899 to 10,803, indicating that the industry has maintained robustness through a difficult time.

Following issues with the launch of the new thisisdurham website and a dip in the number of unique visitors to the site at quarter one (203,089), there has been a steady increase to 255,826 in quarter two. Levels are comparable to the average quarterly figures for 2014/15.

- f. Progress has been made with the following Council Plan actions:
- i. Last quarter we reported that adoption of the County Durham Plan had been delayed further as we had challenged the interim report from the planning inspector. Following a decision by the courts, the inspector's interim report has been quashed and a new examination will be held under a new inspector. To enable this, the current plan has been withdrawn before submitting a refreshed version for public examination in early 2016.
  - ii. Phase one of the physical regeneration improvements to Consett Town Centre was completed ahead of schedule and phase two has commenced. A draft document has been produced to develop a design concept for Middle Street linking to heritage and art within the town centre.
  - iii. The Digital Durham programme is currently building fibre infrastructure across eight council areas. (Durham, Sunderland, Gateshead, Hartlepool, Darlington, Middlesbrough, Stockton and Redcar). A total of 336 fibre cabinets have been built by BT Openreach all over the programme area to provide premises with improved broadband speeds. These cabinets will provide improved broadband speeds to in excess of 70,000 premises most getting over 24 megabits per second (mbps) download speeds, i.e. superfast broadband.

6. The key performance improvement issues for this theme are:

- a. The numbers of both major and overall planning applications received have increased this quarter. The number of major planning applications (46) is at its highest since data was recorded in 2011/12 and overall planning applications at its highest (736) since quarter two 2014/15 (Appendix 4, charts 1 and 2). Some planning applications are more complex and therefore take longer to resolve and due to the timescales for determining applications (13 weeks for major planning applications), fluctuating numbers impact on subsequent quarter's performance.

The proportions of both major and overall planning applications determined within deadline declined this quarter and failed to achieve targets. 56.8% of major planning applications were determined within deadline this quarter, below the target of 75%. Performance is below last quarter (64.7%) and quarter two 2014/15 (72.4%) and for the first time since quarter three 2011/12 performance has fallen below 63%. Performance is also below the latest available benchmarking (April to June 2015) for England (74%) and the North East (85%). 84.2% of overall planning applications were determined within deadline, below the target of 87%. Performance was the same as at quarter two 2014/15 but declined from 86.7% last quarter.

Further in-house training will be provided and an in-depth analysis is to be carried out to highlight issues that can contribute to improving performance.

- b. The number of potential jobs secured or created as a result of Business Durham activity improved from 164 last quarter to 522 this quarter. Performance is at the highest level since introduction of this indicator in 2014/15 however has yet to achieve the quarterly target (600). These jobs have been created through working with tenants and projects with existing businesses. A project can take up to 18 months to be developed.
- c. Apprenticeship schemes are working well with local authority funded apprenticeships sustained for at least 15 months increasing from 393 in quarter one to 460 in quarter two. At 30 June 2015, 11.9% of 16 to 18 year olds were in an apprenticeship, more than in the same period last year (8.7%). County Durham has a higher proportion of 16 to 18 year olds undertaking an apprenticeship pathway than the England (6.6%), North East (10.2%) and nearest statistical neighbour (9%) averages. However, apprenticeship starts funded through the council have seen an 87% reduction from the same period last year, with only 10 starts between April and June, below the target of 50, due to a lack of ongoing funding. A bid for European funds to deliver a programme until July 2018 has been made, and was due to be considered by the regional European Social Fund committee in December 2015. The Employability Team are one of the named internal delivery partners for the programme which, if successful, will see additional staff and flexible resources including further wage subsidy funding being made available to support 16 to 24 year olds across County Durham. At this stage it is envisaged that if approved, the programme will commence in February 2016.
- d. Tracker indicators show:
  - i. Over the past year there have been significant improvements to the numbers of Job Seeker's Allowance (JSA) claimants (including long term and youth claimants). The employment rate has improved slightly, although not as much as the improvement seen nationally and the rate has declined from last quarter. Compared to last year:
    - JSA claimants aged 18 to 24 have improved by 27% from quarter two 2014/15 (2,720 claimants) to 1,985 this quarter, although numbers of claimants declined from last quarter (1,890), coinciding with the end of the school year. In County Durham 3.9% of 18 to 24 year olds were claiming JSA compared to 4.2% in the North East. The overall number of JSA claimants improved from 8,765 in quarter two 2014/15 to 7,115 however increased by 54 from last quarter.
    - JSA claimants who have claimed for longer than 12 months have fallen by over 1,000 from 2,910 (33.2% of all claimants) to 1,880 (26.4%). There has also been an improvement from last quarter (1,920 claimants or 27.2%), although this is the lowest percentage decrease since quarter one 2014/15. 0.6% of the working age population in County Durham is claiming JSA for longer than 12 months compared to 0.8% for the North East.

Since Universal Credit was introduced in County Durham in September there have only been a small number of claimants but in future this may impact on the number of JSA claimants.

- The employment rate improved 2.1% from 66.7% to 68.1% (229,100 people between July 2014 and June 2015). However despite the UK employment rate for June to August (73.6%) being at its highest since records began in July 1971, the County Durham rate fell again compared to last period when this was 68.5% (230,800 people). The County Durham rate remains worse than the England (73.3%), North East (68.9%) and nearest statistical neighbour (71.2%) averages, which all improved.
  - The proportion of people out of work who want a job, improved from 13.2% equating to 42,200 people (April 2014 to March 2015) to 12.9% equating to 42,300 people (July 2014 to June 2015). The County Durham figure however remains worse than the England (9.8%), North East (12.1%) and nearest statistical neighbour (11.2%) averages.
- ii. There has been a reduction in the number of applications registered on Durham Key Options leading to the household being successfully rehoused, which has fallen from 1,217 last quarter to 1,077 this quarter (see Appendix 4, chart 3). This is the second consecutive quarter that lets have decreased, mainly due to the availability of stock, as lets begin to return to pre-welfare reform levels,. At the end of September there were 10,137 households on the housing register able to bid. The number of new applicants meeting the criteria to be categorised as a reasonable preference group, which includes people with hardship, medical/welfare issues, overcrowding or who are statutory or non-statutory homeless, increased from 558 (41%) to 742 (42%).
- e. The key Council Plan actions which have not achieved target in this theme include:
- i. Establishing planning consent for Aykley Heads has been delayed from May 2016 to June 2016. The design guide is in progress and desktop site investigation work is feeding into the options however further specific ground investigation work will be required prior to construction works.
  - ii. The timescale for construction of a new railway station at Horden on the Durham coast railway line has been revised from August 2017 to November 2017. Further work is required on the options appraisal with the outline planning application likely to be submitted in December 2016. The draft strategic case has been completed but is subject to final site selection. Consultation with local members has taken place and a wider consultation plan will be agreed once options are narrowed.

- iii. Supporting the development of a Heritage Lottery Fund application for funding to restore the historic quay in Seaham and improve public access to facilities has been delayed from October 2015 to January 2016, due to the time required to finalise the design.
  - iv. Implementation of the delivery plan for the Seaham Colliery site with the Homes and Communities Agency has been delayed from March 2016 following protracted negotiations leading to the appointment of the preferred developer. Planning approval is now scheduled for July 2016, with a start on site expected by January 2017.
  - v. Working with the land owner to agree a programme of works for Festival Walk at Spennymoor has been delayed from October 2015 to December 2015, as negotiations are still continuing with the agents for the administrators over the proposals for the site and revisions to the anticipated development scheme.
- f. An action has been deleted to restore the former boys' grammar school (Laurel Buildings) in Bishop Auckland back to economic use. A funding application was declined by the Heritage Lottery Fund (HLF) which means that we are unable to proceed. A meeting with HLF will be held to discuss further options.
7. A development relevant to this theme is that in October members of the North East Combined Authority and the Government signed an agreement to devolve significant powers, funding and responsibilities to the region. The move will represent a major change to the way in which decisions will be made in the future about transport, investment, funding, skills training, business support, housing and strategic planning. Subject to public consultation, the North East Combined Authority and a new mayor, elected for the first time in 2017, will take control of the new devolved powers.

The agreement is the first step which paves the way for opportunities for further devolved powers and responsibilities to the North East. Final agreement remains subject to the Government's spending review and the legislative process and is also conditional upon further public consultation and the agreement of the seven local councils which make up the combined authority.

8. There are no key risks which require any mitigating action in delivering the objectives of this theme.

### **Recommendations and Reasons**

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

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**Tel:** 03000 268 071 **E-Mail:** [jenny.haworth@durham.gov.uk](mailto:jenny.haworth@durham.gov.uk)

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## **Appendix 1: Implications**

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

**Staffing** - Performance against a number of relevant corporate health Performance Indicators (PIs) has been included to monitor staffing issues.

**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 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** - Employees with a disability are monitored as part of the performance monitoring process.

**Legal Implications** - Not applicable



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## Appendix 2: Key to symbols used within the report

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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

### Nearest Neighbour Benchmarking:

The nearest neighbour model was developed by the Chartered Institute of Public Finance and Accountancy (CIPFA), one of the professional accountancy bodies in the UK. CIPFA has produced a list of 15 local authorities which Durham is statistically close to when you look at a number of characteristics. The 15 authorities that are in the nearest statistical neighbours group for Durham using the CIPFA model are: Barnsley, Wakefield, Doncaster, Rotherham, Wigan, Kirklees, St Helens, Calderdale, Dudley, Northumberland, Tameside, Sheffield, Gateshead, Stockton-on-Tees and Stoke-on-Trent.

We also use other neighbour groups to compare our performance. More detail of these can be requested from the Corporate Planning and Performance Team at [performance@durham.gov.uk](mailto:performance@durham.gov.uk).

## Appendix 3: Summary of Key Performance Indicators

Page 20  
Table 1: Key Target Indicators

Ref	PI 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
<b>Altogether Wealthier</b>											
1	REDPI106	Percentage of properties let from Durham County Council's retail, commercial and investment portfolio	79.00	As at Sep 2015	80.00	AMBER	82.00	RED			
2	REDPI33	Percentage of Business Durham floor space that is occupied	84.12	As at Sep 2015	79.00	GREEN	77.38	GREEN			
3	REDPI76	Income generated from Business Durham owned business space (£)	835,000	Jul - Sep 2015	770,000	GREEN	811,000	GREEN			
4	REDPI64	Number of passenger journeys made on the Link2 service	8,141	Jul - Sep 2015	7,500	GREEN	8,574	RED			
5	REDPI75	Overall proportion of planning applications determined within deadline	84.2	Jul - Sep 2015	87.0	RED	84.2	AMBER			
6	REDPI10a	Number of affordable homes delivered	136	Jul - Sep 2016	40	GREEN	120	GREEN			
7	REDPI29	Number of private sector properties improved as a direct consequence of local authority intervention	130	Jul - Sep 2015	149	RED	80	GREEN			
8	REDPI30	Number of empty properties brought back into use as a result of local authority intervention	56	Jul - Sep 2015	30	GREEN	42	GREEN			

Ref	PI 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	REDPI62	Number of apprenticeships started through Durham County Council funded schemes	10	Apr - Jun 2015	50	RED	77	RED			
10	CASAW2	Overall success rate of adult skills funded provision	92.0	2014/15 ac yr (provisional)	88.0	GREEN	87.0	GREEN	87.6 GREEN	83.6** GREEN	2014/15 ac yr (provisional)
11	REDPI81	Percentage of timetabled bus services that are on time	94.0	Jul - Sep 2015	88.0	GREEN	91.0	GREEN			
12	REDPI41b	Percentage of major planning applications determined within 13 weeks	56.8	Jul - Sep 2015	75.0	RED	72.4	RED	74.0 RED	86** RED	Apr - Jun 2015
13	REDPI92	Number of gross potential jobs created or safeguarded as a result of Business Durham activity	522	Jul - Sep 2015	600	RED	346	GREEN			
14	REDPI104	Number of businesses supported through business improvement grants	Reported Q4	NA	52	NA	New indicator	NA			

**Table 2: Key Tracker Indicators**

Page 42 Ref	PI 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
<b>Altogether Wealthier</b>											
77	REDPI3	Number of net new homes completed in Durham City	26	Jul - Sep 2015	20	GREEN	3	GREEN			
78	REDPI22	Percentage of households within County Durham that can access Durham City market place by 8.30am, using public transport with a total journey time of one hour, including walking time	74.50	As at Sep 2015	Not reported	NA [1]	76.75	RED			
79	REDPI38	Number of passenger journeys recorded by the operator of the three Durham City Park and Ride sites	281,359	Jul - Sep 2015	263,432	GREEN	278,845	GREEN			
80	REDPI80	Percentage annual change in the traffic flow through Durham City	-13.43	Jul - Sep 2015	Not reported	NA [2]	5.44	RED			
81	REDPI 100	Number of visitors to County Durham (million)	18.1	Jan - Dec 2014	17.9	GREEN	17.9	GREEN			
82	REDPI 101	Number of jobs supported by the visitor economy	10,803	Jan - Dec 2014	10,899	RED	10,899	RED			
83	REDPI 102	Amount (£million) generated by the visitor economy	752	Jan - Dec 2014	728	GREEN	728	GREEN			

Ref	PI 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
84	REDPI 97a	Occupancy rates for retail units in Barnard Castle (%)	91	As at Mar 2015	89	GREEN	89	GREEN	90 GREEN		As at Jan 2015
85	REDPI 97b	Occupancy rates for retail units in Bishop Auckland (%)	80	As at Mar 2015	79	GREEN	79	GREEN	90 RED		As at Jan 2015
86	REDPI 97c	Occupancy rates for retail units in Chester-le-Street (%)	87	As at Mar 2015	84	GREEN	84	GREEN	90 RED		As at Jan 2015
87	REDPI 97d	Occupancy rates for retail units in Consett (%)	93	As at Mar 2015	94	RED	94	RED	90 GREEN		As at Jan 2015
88	REDPI 97e	Occupancy rates for retail units in Crook (%)	90	As at Mar 2015	92	RED	92	RED	90 GREEN		As at Jan 2015
89	REDPI 97f	Occupancy rates for retail units in Durham City (%)	91	As at Mar 2015	89	GREEN	89	GREEN	90 GREEN		As at Jan 2015
90	REDPI 97g	Occupancy rates for retail units in Newton Aycliffe (%)	67	As at Mar 2015	71	RED	71	RED	90 RED		As at Jan 2015
91	REDPI 97h	Occupancy rates for retail units in town centres (%) – Peterlee	86	As at Mar 2015	85	GREEN	85	GREEN	90 RED		As at Jan 2015
92	REDPI 97i	Occupancy rates for retail units in Seaham (%)	94	As at Mar 2015	91	GREEN	91	GREEN	90 GREEN		As at Jan 2015
93	REDPI 97j	Occupancy rates for retail units in Shildon (%)	89	As at Mar 2015	89	AMBER	89	AMBER	90 RED		As at Jan 2015
94	REDPI 97k	Occupancy rates for retail units in Spennymoor (%)	88	As at Mar 2015	85	GREEN	85	GREEN	90 RED		As at Jan 2015
95	REDPI 97l	Occupancy rates for retail units in Stanley (%)	88	As at Mar 2015	86	GREEN	86	GREEN	90 RED		As at Jan 2015

Ref	PI 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
96	REDPI72	Number of local passenger journeys on the bus network	5,745,434	Apr - Jun 2015	5,832,051	RED	5,836,935	RED			
97	REDPI 10b	Number of net homes completed	302	Jul - Sep 2015	330	RED	207	GREEN			
98	REDPI24	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions	63.00	Jul - Sep 2015	39.00	GREEN	51.00	GREEN			
99	REDPI34	Total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused	1,077	Jul - Sep 2015	1,217	RED	1,290	RED			
100	REDPI 36d	Number of clients accessing the Housing Solutions Service	Not reported [3]	NA	2,096	NA	2,496	RED			
101	REDPI 36c	Number of clients who have accessed the Housing Solutions Service where there has been an acceptance of a statutory homelessness duty	32	Jul - Sep 2015	36	GREEN	51	GREEN			
102	REDPI 36a	Number of clients who have accessed the Housing Solutions Service and for whom homelessness has been prevented	330	Jul - Sep 2015	276	GREEN	322	GREEN			

Ref	PI 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
103	REDPI 96a	Number of new applicants registered for housing with the Durham Key Options Scheme who meet the criteria for the Government's reasonable preference groups	742	Jul - Sep 2015	558	RED	New indicator	NA			
104	REDPI40	Proportion of the working age population defined as in employment	68.1	Jul 2014 - Jun 2015	68.5	RED	66.7	GREEN	73.3	68.9*	Jul 2014 - Jun 2015
105	REDPI73	Proportion of the working age population currently not in work who want a job	12.9	Jul 2014 - Jun 2015	13.2	GREEN	13.3	GREEN	9.8	12.08*	Jul 2014 - Jun 2015
106	REDPI8b	Proportion of all Jobseeker's Allowance (JSA) claimants that have claimed for one year or more	26.40	As at Sep 2015	27.20	GREEN	33.20	GREEN	27.57	28.79*	As at Sep 2015
107	REDPI7a	Number of Jobseeker's Allowance (JSA) claimants aged 18 to 24	1,985	As at Sep 2015	1,890	RED	2,720	GREEN			
108	CASCYP 16	Percentage of 16 to 18 year olds who are not in education, employment or training (NEET) ( <b>Also in Altogether Better for Children and Young People</b> )	7.7	Jul - Sep 2015	6.3	N/A [4]	14.2	GREEN			

Ref	PI 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
109	CAS AW3	Percentage of 16 to 18 year olds in an apprenticeship	11.9	As at Jun 2015	11.5	GREEN	8.7	GREEN	6.6	10.2*	At at Jun 2015
									GREEN	GREEN	
110	REDPI 105	Number of local authority funded apprenticeships sustained at 15 months	460	As at Sep 2015	393	GREEN	177	GREEN			
111	ACE018	People commencing a full-time first degree who were resident in County Durham the year before they started (per 1,000 population aged 18+)	18.0	2013/14 ac yr	17.3	GREEN	17.3	GREEN	24.5	19.7*	2013/14 ac yr
									RED	RED	
112	REDPI 103	Number of full time equivalent jobs created through business improvement grants	Reported Q4	NA	New indicator	NA	New indicator	NA			
113	REDPI87	Gross Value Added (GVA) per capita in County Durham (£)	12,875	2012	12,661	GREEN	12,661	GREEN	21,937	16091*	2012
									RED	RED	
114	REDPI88	Per capita household disposable income (£)	14,659	2013	14,151	GREEN	14,151	GREEN	17,842	14927*	2013
									RED	RED	
115	REDPI89	Number of registered businesses in County Durham	15,155	2014/15	14,785	GREEN	14,785	GREEN			
116	REDPI66	Number of businesses engaged with Business Durham	1,134	2014/15	581	GREEN	581	GREEN			
117	REDPI93	Number of business enquiries handled by Business Durham	1,202	2014/15	1,151	GREEN	1,151	GREEN			



Ref	PI 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
118	REDPI 32a	Percentage of tourism businesses actively engaged with Visit County Durham [5]	65	As at Mar 2015	81	RED	81	RED			
119	REDPI90	Percentage change in the number of visitors to the core attractions in County Durham compared to the previous year	-9.7	Apr - Sep 2014	33.6	RED	33.6	RED			
120	REDPI91	Number of unique visitors to the thisisdurham website [6]	255,826	Jul - Sep 2015	203,089	GREEN	272,960	RED			

[1] [Unable to calculate due to IT software issues](#)

[2] [2 traffic loop detectors were broken - repaired during Milburngate Bridge works](#)

[3] [Discussions are taking place over the indicator definition](#)

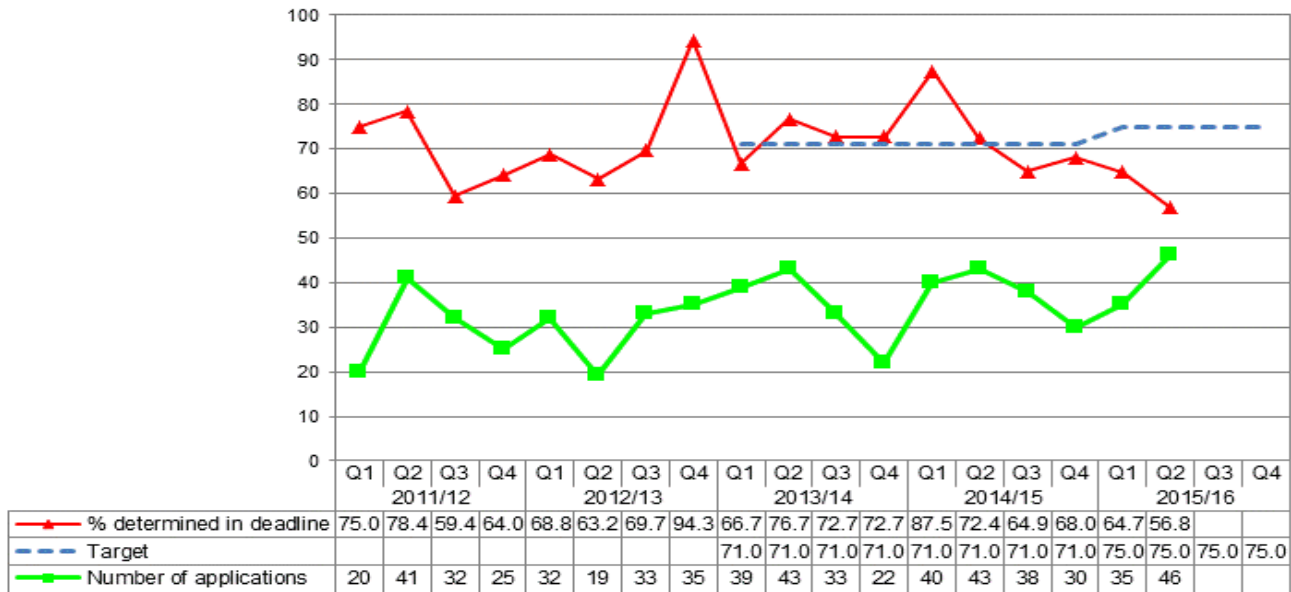
[4] [Data not comparable due to the high number of school leavers whose status is 'not known' which impacts significantly on this indicator](#)

[5] [Although the number of businesses engaged has not fallen, the number of businesses Visit County Durham can engage with has increased by approximately 250 compared to 2013/14, which has caused the percentage to drop](#)

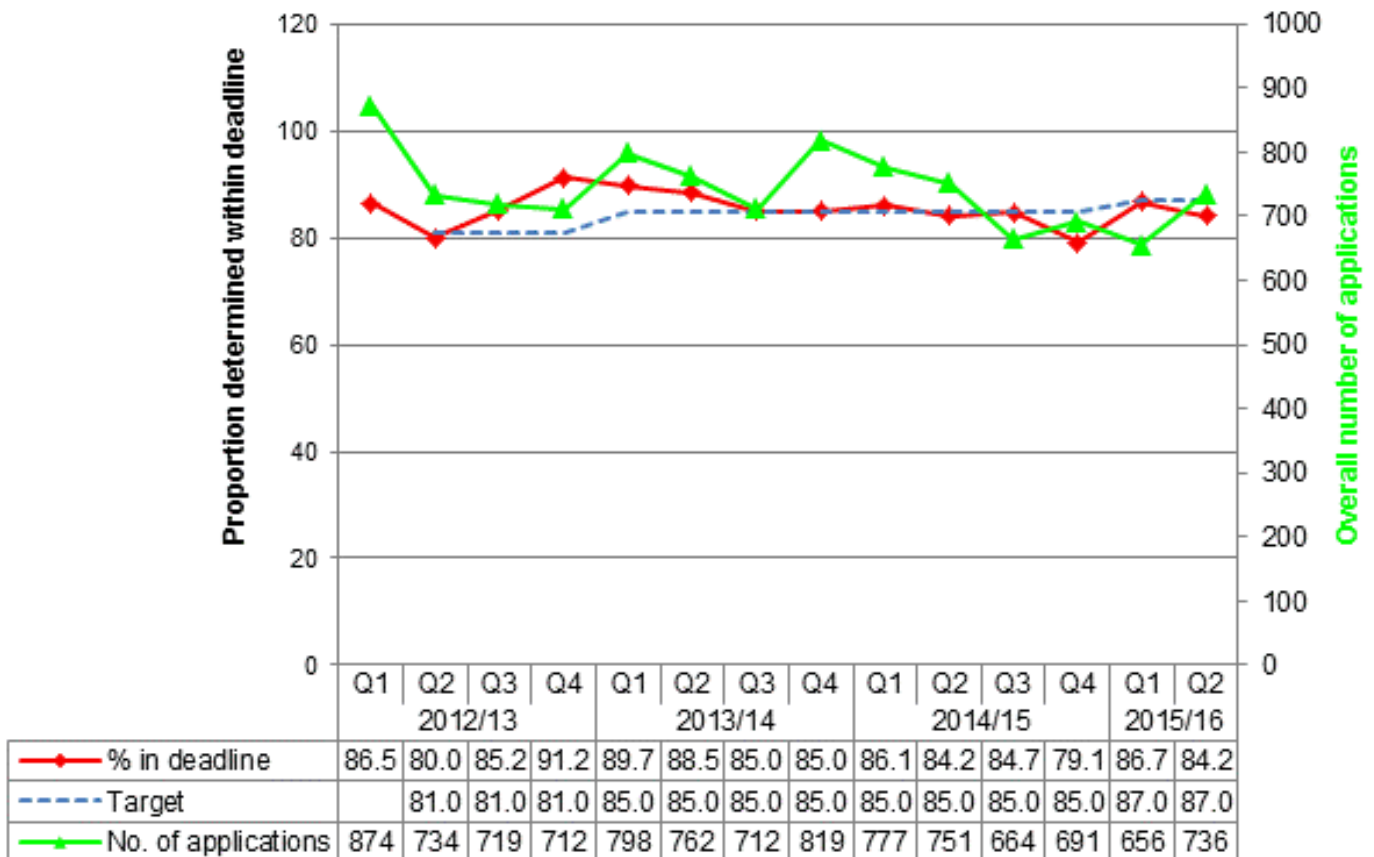
[6] [The new website went live in April and a dip in web traffic is inevitable until Google re-indexes the site](#)

## Appendix 4: Volume Measures

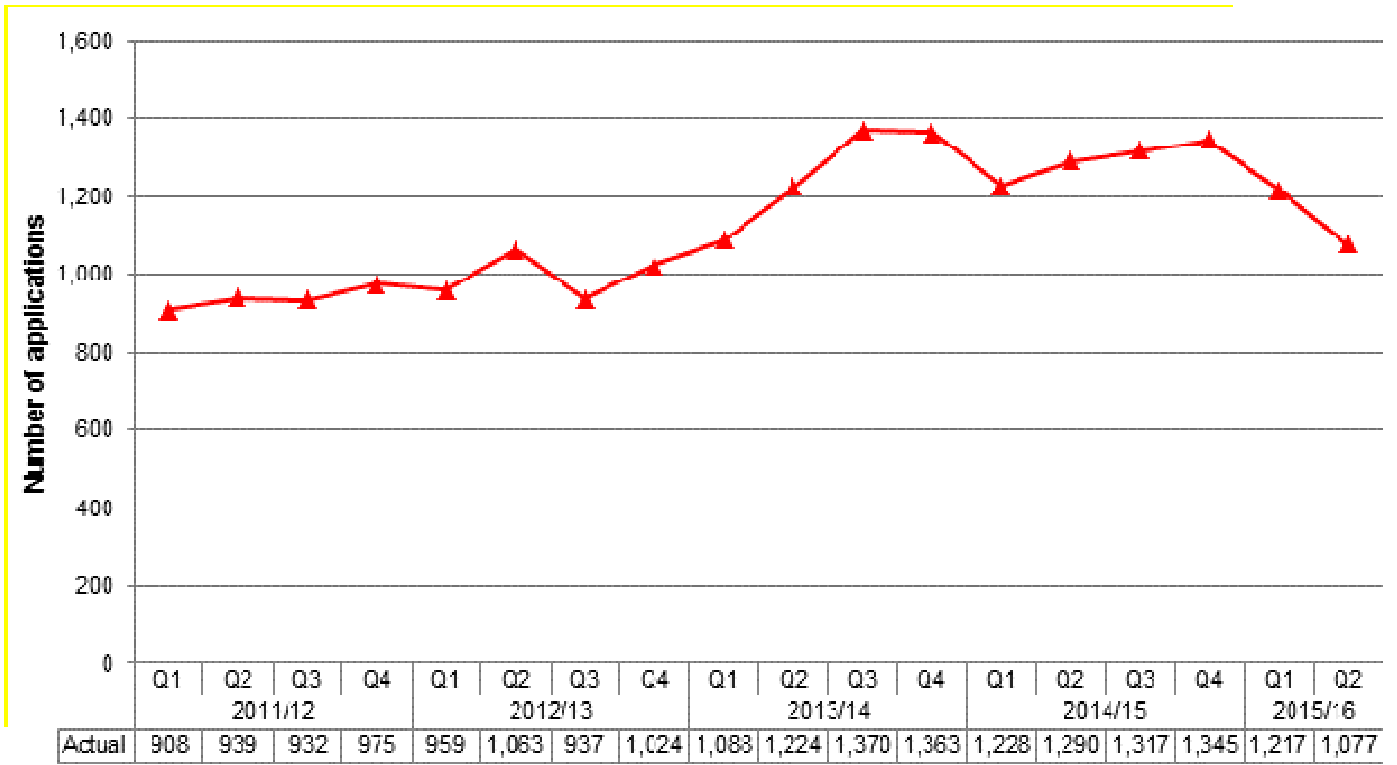
### Chart 1 – Major planning applications



### Chart 2 – Overall planning applications



**Chart 3 – Durham Key Options - total number of applications registered on the Durham Key Options system which led to the household being successfully rehoused**



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## Economy and Enterprise Overview and Scrutiny Committee



8 January 2016

### Review of the Council Plan and Service Plans

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#### Report of Lorraine O'Donnell, Assistant Chief Executive

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##### Purpose of the Report

1. To update Scrutiny with progress on the development of the Altogether Wealthier section of the Council Plan 2016-2019 including the draft aims and objectives contained within the Plan and the proposed performance indicator set to measure our success.

##### Background

2. The Council Plan details Durham County Council's contribution towards achieving the objectives set out in the Sustainable Community Strategy (SCS), together with its own improvement agenda. The Council Plan covers a three year timeframe in line with the council's Medium Term Financial Plan and sets out how we will deliver our corporate priorities and the key actions we will take to support the longer term goals set out in the SCS.
3. This year it is proposed that the existing three year Council Plan is updated and rolled forward a year, with a more fundamental review to take place next year, in line with a refresh of the Sustainable Community Strategy. This will also take into account the refreshed Regeneration Statement. This year it is proposed to produce a more visual and interactive version of the council plan, in addition to the word version. Early ideas are that it will be a shorter, more impactful plan with a greater use of visual material such as charts, infographics, diagrams and photographs.
4. The priorities set out in the current Council Plan reflect the results of an extensive consultation exercise carried out in 2013/14 on spending priorities and include an ongoing focus on protecting frontline services.

## Draft Objectives and Outcomes

5. Overall it is proposed that the five key altogether better themes remain unchanged in line with the review of the Altogether Better Durham vision by the County Durham Partnership. It is also proposed that the altogether better council theme is retained giving six key themes.
  - I. Altogether Wealthier
  - II. Altogether better for children and young people
  - III. Altogether healthier
  - IV. Altogether safer
  - V. Altogether greener
  - VI. Altogether better council
6. Sitting beneath each of these six themes are a series of objectives setting out the key goal(s) being pursued over the medium-term. The objectives layer is shared across the SCS and Council Plan. These were agreed by Council last year and are proposed to be retained as unchanged. The Altogether Wealthier objectives are shown below:
  - I. Thriving Durham City
  - II. Vibrant and successful towns
  - III. Sustainable neighbourhoods and rural communities
  - IV. Competitive and successful people
  - V. Top location for business
7. Whilst the SCS is a long-term plan, the Council Plan having a medium-term time horizon of three years is more detailed in nature. The Council Plan therefore contains an additional layer which is the council's outcomes. These are defined as the impacts on, or consequences for the community of the activities of the council. Outcomes reflect the intended results from our actions and provide the rationale for our interventions. These are subject to more frequent change than objectives.
8. The draft objectives and outcomes for the 2016-2019 Council Plan for the Altogether Wealthier theme are set out in full in **Appendix 2**.
9. Services are currently reviewing the performance indicator set which is used to measure progress against the Plan, performance manage our services and report to Members quarterly. The council also has responsibility for performance managing the County Durham Partnership so the indicator set serves the dual purpose of being used to monitor the council and the partnership. An early draft of the corporate indicator set for the Altogether Wealthier theme is contained in **Appendix 3**, for detailed consideration by Economy and Enterprise Overview and Scrutiny Committee.
10. There are no changes currently proposed for the Altogether Wealthier basket of indicators.

11. The roll out of Universal Credit has led to changes to the claimant count for Job Seekers Allowance (JSA). Previously the claimant count reflected solely the number of people claiming JSA, however as the Universal Credit rollout progresses and more people claim under the new system, the JSA count becomes an underestimate of the true position regarding unemployment. The current measures will be monitored and if more appropriate measures are introduced they can be reviewed or relevant information included as part of the narrative.
12. The target setting process for the proposed indicator set will begin at the end of the year once performance data is available for the full year. Targets for the current year and forthcoming two years are presented to Members in **Appendix 3** for comment. Baseline performance data will need to be established for the proposed new indicators before targets can be set.

### Next steps

13. Next steps in the corporate timetable for production of the Council Plan and service plans are:

Cabinet considers Council Plan and service plans for 2016 - 2019	16 March 2016	Assistant Chief Executive
OSMB considers Cabinet report on Council Plan	22 March 2016	Assistant Chief Executive
Council approves Council Plan 2016- 2019	13 April 2016	Assistant Chief Executive

### Recommendations and reasons

14. Economy and Enterprise Overview and Scrutiny Committee is asked to:
  - I. Note the updated position on the development of the Council Plan and the corporate performance indicator set.
  - II. Note the draft objectives and outcomes framework set out in **Appendix 2**.
  - III. Comment on the draft performance indicators proposed for 2016/17 for the Altogether Wealthier priority theme contained within **Appendix 3**.
  - IV. Comment on the current targets in **Appendix 3** and provide input into target setting for 2016/17 onwards.

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**Contact:** Jenny Haworth, Head of Planning and Performance  
**Tel:** 03000 268 071 **E-mail:** jenny.haworth@durham.gov.uk

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## **Appendix 1: Implications**

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### **Finance**

The Council Plan sets out the corporate priorities of the Council for the next 3 years. The Medium Term Financial Plan aligns revenue and capital investment to priorities within the Council Plan.

### **Staffing**

The Council's strategies are 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 the Council Plan containing a section on risk.

### **Equality and diversity/Public Sector Equality Duty**

Individual equality impact assessments are prepared for all savings proposals within the Council Plan. The cumulative impact of all savings proposals will be 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. One of the outcomes within the proposed framework is that people are treated fairly and differences are respected. Actions contained within the Council Plan include specific issues relating to equality.

### **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 SCS and Council Plan sets out the Council's and partner's contributions to tackling crime and disorder.

### **Human rights**

None

### **Consultation**

Council priorities are influenced by our resource base and have been developed following extensive consultation on the council's budget. Results have been taken into account in developing our spending decisions.

### **Procurement**

None

### **Disability Issues**

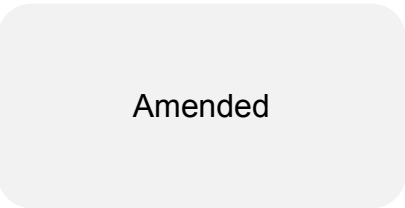
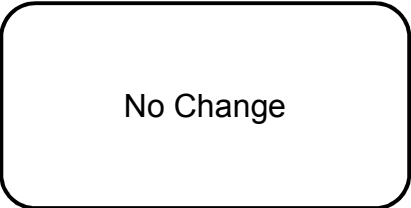
None

### **Legal Implications**

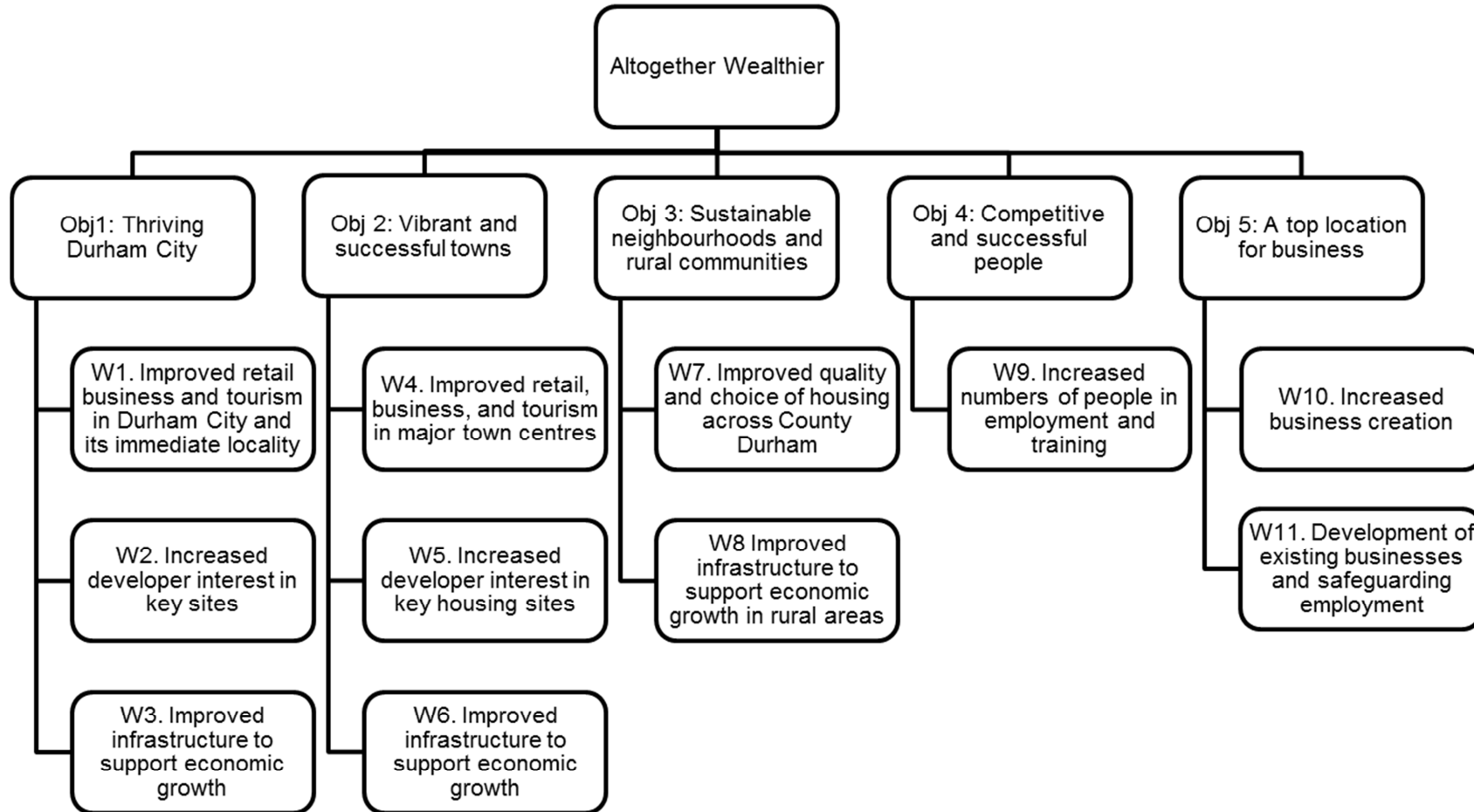
None



# KEY



## Appendix 2: Partnership and Council Draft Objectives and Outcomes Framework



### Appendix 3: Proposed Corporate Performance Indicator Set 2016/17

Indicator	Description	Current targets		
		2015/16	2016/17	2017/18
<b>Altogether Wealthier</b>				
ACE018	People commencing a full-time first degree who were resident in County Durham the year before they started (per 1,000 population aged 18+)	Tracker indicator		
CAS AW2	Overall success rate of Adult Skills Funded Provision	88%	88.5%	89%
CAS AW3	Number of 16-18 year olds in an apprenticeship	Tracker indicator		
CAS CYP16	16 to 18 year olds who are not in education, employment or training (NEET)	Tracker indicator		
REDPI3	Number of net new homes completed in Durham City	Tracker indicator		
REDPI10a	Number of affordable homes delivered	250	250	250
REDPI10b	Number of net homes completed	Tracker indicator		
REDPI7a	Number of Jobseeker's Allowance (JSA) claimants aged 18-24	Tracker indicator		
REDPI8b	Proportion of all Jobseeker's Allowance (JSA) claimants that have claimed for one year or more	Tracker indicator		
REDPI22	Percentage 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	Tracker indicator		
REDPI24	All homes completed in and near all major settlements, as defined in the County Durham Plan, as a proportion of total completions	Tracker indicator		
REDPI29	Number of private sector properties improved as a direct consequence of local authority intervention	599	Not set	Not set
REDPI30	Number of empty properties brought back into use as a result of local authority intervention	120	Not set	Not set
REDPI32a	Percentage of tourism businesses actively engaged with Visit County Durham	Tracker indicator		
REDPI33	Percentage of Business Durham business floor space that is occupied	79	81	Not set
REDPI34	Total number of applications registered on the Durham Key Options system, which led to the household being successfully rehoused	Tracker indicator		

### Appendix 3: Proposed Corporate Performance Indicator Set 2016/17

Indicator	Description	Current targets		
		2015/16	2016/17	2017/18
REDPI36c	Number of clients who have accessed the Housing Solutions Service where there has been an acceptance of a statutory homelessness duty	Tracker indicator		
REDPI36d	Number of clients accessing the Housing Solutions Service	Tracker indicator		
REDPI38	Number of passenger journeys recorded by the operator of the 3 Durham City Park and Ride sites	Tracker indicator		
REDPI40	Proportion of the working age population defined as in employment	Tracker indicator		
REDPI41b	Percentage of major planning applications determined within 13 weeks	75	78	80
REDPI62	Number of apprenticeships started through County Council funded schemes	200 <sup>1</sup>	220	Not set
REDPI64	Number of passenger journeys made on the Link2 service	30,000	30,000	30,000
REDPI66	Number of businesses engaged with Business Durham	Tracker indicator		
REDPI72	Number of local passenger journeys on the bus network	Tracker indicator		
REDPI73	The proportion of the working age population currently not in work who want a job	Tracker indicator		
REDPI75	Overall proportion of planning applications determined within deadline	87	90	95
REDPI76	Income generated from Business Durham business space (£)	3.08m	3.13m	Not set
REDPI80	Percentage annual change in the traffic flow through Durham	Tracker indicator		
REDPI81	Percentage of timetabled bus services that are on time	88	88	88
REDPI87	Gross Value Added (GVA) per capita in County Durham	Tracker indicator		
REDPI88	Per capita household disposable income (£)	Tracker indicator		
REDPI89	Number of registered businesses in County Durham	Tracker indicator		
REDPI90	Percentage change in the number of visitors to the core attractions in County Durham compared to the previous year	Tracker indicator		
REDPI91	Number of unique visitors to the thisisdurham website	Tracker indicator		

<sup>1</sup> Will review when funding confirmed

### Appendix 3: Proposed Corporate Performance Indicator Set 2016/17

Indicator	Description	Current targets		
		2015/16	2016/17	2017/18
REDPI92	Number of gross jobs created or safeguarded as a result of Business Durham activity	2,400	2,400	Not set
REDPI93	Number of business enquiries handled by Business Durham	Tracker indicator		
REDPI96a	Number of new applications registered for housing with the Durham Key Options Scheme who meet the criteria for the Government's reasonable preference groups	Tracker indicator		
REDPI97a-l	Occupancy rates for retail units in the following town centres: Barnard Castle, Bishop Auckland, Chester-le-Street, Consett, Crook, Durham City, Newton Aycliffe, Peterlee, Seaham, Shildon, Spennymoor, Stanley	Tracker indicator		
REDPI100	Number of visitors to County Durham (million)	Tracker indicator		
REDPI101	Number of jobs supported by the visitor economy	Tracker indicator		
REDPI102	Amount (£m) generated by the visitor economy	Tracker indicator		
REDPI103	Number of full time equivalent jobs created through business improvement grants	Tracker indicator		
REDPI104	Number of businesses supported through business improvement grants	52	Not set	Not set
REDPI105	Number of local authority funded apprenticeships sustained at least 15 months	Tracker indicator		
REDPI106	Percentage of properties let from Durham County Council's retail, commercial and investment portfolio	80	80	80

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**MINUTES**

<b>Meeting</b>	County Durham Economic Partnership Board
<b>Date of Meeting</b>	Tuesday 3 <sup>rd</sup> November 2015
<b>Time</b>	13.00 – 15.00
<b>Venue</b>	Netpark Incubator Boardroom

**Attendees:**

Brian Tanner	Chair
Cllr Eddie Tomlinson	Chair of Rural Working Group
Cllr Neil Foster	Cabinet Portfolio Holder for Economic Development and Regeneration, DCC
Jon Gluyas	Durham University
Tarryn Lloyd Payne	Strategy & Partnerships, DCC
Ian Thompson	Director of Regeneration and Economic Development, Strategy, Programmes & Performance, DCC
Andy Palmer	Job Centre Plus
Carol Daniell	Chair of the BES Group
Sue Parkinson	Strategy & Partnerships, DCC
Angela Brown	Business Durham
Simon Goon	CPI
Arun Harish	DCC
Stephen Tracey	Derwentside Homes
Geraldine Kay	Chair of Durham City Board
Neil Graham	

**1. Welcome**

BT welcomed everyone to the meeting. He thanked Stephen Tracey for attending. Stephen’s presentation was the main focus of the meeting. He also welcomed Arun Harish from CPI who is now a member of the CDEP Board.

**2. Apologies**

Edward Twiddy	Atom Bank
Simon Hanson	FSB
Stephen Howell	Head of Sport & Leisure, DCC
Michelle Gorman	Visit County Durham
John Ainsley	Durham Business Club
Sue Soroczan	Job Centre Plus
Sarah Robson	Chair of the Housing Forum
Barbara Gubbins	County Durham Community Foundation

### **3. Minutes of the last meeting**

These were agreed as a true record

### **4. Matters Arising**

Action from Item 9 CDEP Chair appointment – This was approved and BT has been re-appointed as Chair.

### **5. Progress against Economic Measures; Stephen Tracey**

ST gave a presentation to the Board on progress against economic measures. In economic terms the purpose of the report is to explain where we are, where we are going and how we get there. ST informed the board that this work had been developed with the CDEP Data Management Group and would be giving an overview on measures of success and explaining each one with a focus being on the employment rate.

ST explained that not all performance targets are used as reflection of the overall economic climate. Key highlights from the report included;

- Big changes have happened as a result of the recession in County Durham where there have been large job losses.
- There was a steady growth nationally in employment rates after the recession. 2006/2007 saw positive impact on rates.
- GVA has grown over 50% higher than the average national value, the 3<sup>rd</sup> highest in England. This aside, GVA is still very low.
- More results for GVA are expected in January which will tell more about the success of economy over the past year.
- Business Growth since 2007 has seen virtually no growth. We have a low number of businesses.
- Gross House Disposable Income – The latest data show we are not far off the national rate.
- Deprivation – The latest data were released 30<sup>th</sup> September and indicated that use is whether it's local area (SOA) is in the top 20% deprived in employment domain

The board discussed areas of positive growth in the economy. Clear patterns of local regeneration (Seaham) were highlighted as areas of success. However, the wider connection to employment and market demand were highlighted as areas where development in place would not necessarily lead to local regeneration by itself and further supported the need for wider business and people-led economic development and regeneration.

The board further discussed the wider implications of understanding the presented statistics. Clearly further work would be needed to understand the implications and similarities between pre-recession “peaks” and current areas of need and opportunity.

Further discussion focused on the implications and understanding behind the changing patterns in deprivation. Population change between two census periods show pockets of growth across the County. Changes of deprivation are difficult to measure as people moved more into some areas. The Working age of population is 16-64 in some areas and there are 60% of people in these areas not in employment.



In summary the following messages were relayed in terms of the CDEP Measures of success;

### **Employment Rate**

- Rates recovered but still some way to go to reach pre-recession peak (or 73% target)
- The recession (and recovery) affected different groups in different ways.
- More to understand about employment and links with disability

### **GVA**

- Low GVA compared to regional/national levels
- Latest annual growth very strong.

### **Business Growth**

- Low number of business compared to national/regional rate and very little growth

### **GDHI**

- Disposable income not far from regional target but long term trends indicate a widening trend

### **Deprivation**

- 150 LSOAs employment deprived as of 2015 ID
- Concentration of employment deprivation remain in many major population centres

BT thanked ST for his very detailed presentation and report. It was further agreed that the key messages from this work would inform the next stage of the Regeneration Statement Review.

**Action:** The Board agreed to note and agree the key measures subject to further interpretation through the Data Management Group and Working Group Chairs.

## **6. County Durham Regeneration Statement Review – Andy Palmer**

AP discussed the County Durham Regeneration Statement Review Progress Report. He mentioned that the Regeneration Statement was first written in 2009/10. The key narrative explains what we are doing and why we are doing it. At the meeting in July the Board it was agreed that there would be a review of the current document which was produced in 2012.

AP discussed the key areas highlighted by partners during the review;

- Need a positive, succinct and shorter statement
- Established and recognised at the local level – has a variety of uses and purposes, but need to strengthen its influence and outward looking messages
- Should continue to provide a vision and ambitions for the County – setting the direction for the partnership, but need to strengthen its economic narrative, expected measures of success and objectives
- Existing five measures of success will need reviewing and should continue to be embedded within the Statement and form objectives that drive priorities and activity
- It needs to continue to set the direction for the CDEP and provide the narrative for the County Durham Plan and other partnership strategies and plans

- Recognise the value of the existing five ambitions of Thriving Durham City, Vibrant and Successful Towns, Competitive and Successful People, Sustainable Neighbourhoods and Rural Communities and Top Location for Business. However, we need to ensure their fit is reviewed and place more emphasis upon measurable objectives
- Stronger role for transport and infrastructure
- Need to be clear about priority actions, investment and expected performance of the partnership

AP informed the Board that there would be a draft outline statement presented at the next Board meeting in February

**BT made note to the recommendations for the Board to support which were;**

- a) Support the approach outlined for the review**
- b) Consider and nominate wider partner involvement through the Working Group Chairs**

**The Board endorsed the recommendations**

## **7. North East Devolution Agreement – Ian Thompson**

IT gave a presentation to the Board on the Devolution Agreement for the North East. Key areas highlighted included;

- National Context; Devolution Journey
- National Picture
- Key asks for the North East
- The NECA ambition
- Developments to date
- Statement of Intent
- The Devolution Agreement

NECA have been meeting for two years now and all seven local authorities all share the vision for NELEP to create more and better jobs. He discussed the statement of intent which is 'what we've asked for' and informed the Board of the next steps:-

- Business and stakeholder engagement
  - Theme based discussions in November and December
- Public Consultation
  - Events across the NECA area in November
- Durham Event 9<sup>th</sup> November 6-8pm County Hall
- Spending Review announced 25<sup>th</sup> November
- Developing an implementation Plan - Including governance and resourcing arrangements

### *Questions*

The board discussed wider plans for consultation. Of particular focus were plans for a "poll" in County Durham. The board discussed possible impacts and risks associated with both a Yes and No feedback from a Poll. Overall, the board felt that it did feel like the right thing to do and was a positive step in supporting local democracy. Current polling question are being developed by Durham County Council with support from Durham University.

The board further asked if there would be a plan for business consultation. IT informed the board that Business Durham is forming a business consultation plan.

IT further reminded the board that the process was still underway and subject to the Comprehensive Spending Review and other political and implementation considerations.

BT thanked IT for his presentation.

## **8. County Durham Plan update – Andy Palmer**

AP gave an update on the County Durham Plan from the report which Mike Allum had written in relation to current position of the plan. He discussed the background, current position and next steps.

As part of the agreement reached with DCLG and endorsed by the Court the County Durham Plan was withdrawn to allow it to be refreshed and updated before being submitted again for examination by a new Inspector. The key areas of work to make these changes will include;

- Economic, population and household forecasting
- Housing Market Assessment
- Employment Land Review
- Strategic Housing Land Availability Assessment
- Sustainable Transport Strategy for Durham City
- Local Plan and CIL Viability
- Retail Needs Assessment

Planning are hoping to have the new draft approved by Cabinet and out to consultation early in the New Year, hopefully look to submit for examination in late spring/early summer.

**Action: BT concluded that the recommendations of the report were for members of the Board to please note the latest position regarding progress of the County Durham Plan.**

## **9. EU Funding – Sue Parkinson**

Changes are made on daily basis so SP decided it would be more beneficial to give broad overview as opposed to a formal presentation.

- The current position is that we now have an operational programme but until we have the ERDF funding streams signed off then there is very little we can do. We are starting to see issues with output targets.
- Don't have all the definitions as yet which make calls for proposals of what people would like to spend money on very difficult without any definitions.
- The exchange rate – The UK allocation is in Euros but we are to spend it in pounds. The allocation will be revalued on a regular basis but we have currently lost already around 20% of the allocation across the board.
- Cuts are presently ongoing. ESIF Committee has asked for refresh of the strategy around how we spend money. This is taking place. The managing authority has been told indicative figures.
- Governance arrangements have vastly improved with NELEP which has had a change in Officers. The CDEP is part of the ESIF Committee and

continues to be represented by SP. The managing authority has set up the ESIF review sub group on which SP is representative for Durham. Durham is now engaged and listened to.

- It was agreed to revisit the Durham Investment Plan in the New Year to ensure alignment with the wider North East Investment Plan.

## **10. Partner and Working Group Updates**

BT welcomed the Working Group Board Update report and invited the chairs to provide any further comments:

### *Neil Graham – Durham City Board*

- There are issues at the moment as to where resources will come from to tackle the current issues. Continued innovative solutions will be needed to tackle very real challenges.

### *Sue Parkinson – Business, Enterprise & Skills*

- SP has been approached from Gateshead Council to see if they can sit in on one of our Partnership meetings to see how we 'do partnership'. Therefore it was agreed that they can attend the next BES meeting in November.

### *Geraldine Kay – Housing*

- Housing appears to be taking a 'battering' at the moment with regards to Government Policy. The new housing bill is controversial. There is a lot of uncertainty with regard to the future. An example of this is the announcement that Gentoo is to lose 300 jobs.
- Social Housing group is currently looking at ways to fill gaps with regards to affordable housing as this always requires help.

BT welcomed any updates from partners

### *Jon Gluyas – Durham University*

- JG attended a meeting with N8 group in Leeds last Wednesday. The group has links with Northern Powerhouse/People at Westminster. JG will put a note together to circulate to the Board.

### *Carol Daniell – Job Centre Plus*

- At the last meeting it was reported that Universal Credit had been rolled out. This went very smoothly. To date there have been 450 claims taken so far in Durham Local Authority Sites. All sites are coping very well with no reported issues.

### *Barbara Gubbins – VCS*

Barbara was not in attendance at the meeting but sent update which BT read to the Board

Durham Community Action held a very successful event at Hardwick Hall to recognise volunteers after receiving a large number of nominations.

Phil Wilson held a very well attended Voluntary and Community Sector networking event recently in partnership with a number of voluntary sector support organisations. The feedback identified a number of areas where community groups need support including:

- Completing application forms
- Understanding how to treat Reserves and liabilities
- Trusteeship – expertise on governance etc.

Phil is going to share best practice with other MPs in the area and suggest similar events are carried out in their constituencies.

County Durham Community Foundation is currently delivering Learning Working Earning in East Durham for 16-25 year olds to support apprenticeships and work-based learning opportunities thanks to a national funder. An announcement is being made this week.

**11. Any Other Business**

Nothing was raised.

**12. Date and Time of next meeting**

Tuesday 2<sup>nd</sup> February 2015, Durham University

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