



Economy and Enterprise Overview and Scrutiny Committee

Date **Thursday 2 November 2017**
Time **9.30 am**
Venue **Committee Room 2, County Hall, Durham**

Business

Part A

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

1. Apologies for Absence.
2. Substitute Members.
3. Minutes of the meeting held 26 September 2017 (Pages 3 - 16)
4. Declarations of Interest, if any
5. Items from Co-opted Members or Interested Parties, if any
6. Media Relations
7. Masterplans - Progress: (Pages 17 - 20)
 - (i) Joint Report of the Director of Transformation and Partnerships and the Corporate Director of Regeneration and Local Services.
 - (ii) Presentation by the Spatial Policy Team Leader, Regeneration Projects Manager and the Community Economic Development Manager, Regeneration and Local Services.
8. NECA Transport Activity - Overview: (Pages 21 - 26)
Report of the Corporate Director of Regeneration and Local Services – Head of Transport and Contract Services, Regeneration and Local Services.
9. Local Transport Plan - Progress: (Pages 27 - 38)
Report of the Corporate Director of Regeneration and Local Services – Traffic Management Section Manager, Regeneration and Local Services.

10. Scrutiny Review of Support provided by DCC to the Retail Sector in County Durham: (Pages 39 - 58)
Report of the Director of Transformation and Partnerships.
11. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
25 October 2017

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

Councillor A Batey (Chairman)
Councillor M Clarke (Vice-Chairman)

Councillors E Adam, J Atkinson, J Clare, R Crute, M Davinson, D Hall, T Henderson, P Howell, P Jopling, L Maddison, J Maitland, R Manchester, R Ormerod, A Patterson, A Reed, E Scott, P Sexton, L Taylor and M Wilson

Co-opted Members:

Mr T Batson

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 **Tuesday 26 September 2017** at **9.30 am**

Present:

Councillor A Batey (Chairman)

Members of the Committee:

Councillors E Adam, J Atkinson, J Clare, M Clarke, R Crute, M Davinson, D Hall, T Henderson, P Howell, P Jopling, L Maddison, R Manchester, R Ormerod, A Patterson, E Scott, P Sexton, L Taylor and M Wilson

Co-opted Members:

Mr T Batson

1 Apologies for Absence

Apologies for absence were received from Councillors A Reed, J Considine, Craig (Faith Rep), C Hampson, H Smith and Mrs A Swift (Faith Rep).

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meeting held 29 June 2017 were agreed as a correct record and were signed by the Chairman, subject to Councillor R Manchester's apologies being added.

Councillor L Maddison noted, following her question at the last meeting, the work of Officers in respect to the issue relating to Visit County Durham (VCD) working with the Port of Tyne and that the response she had received was very much appreciated. She added she would look forward to an update report on progress in due course.

Councillor J Clare asked Members to note that in relation to Chapter Homes and broadband provision, they had made spectacular progress and had arranged for fibre to their existing properties (FTTP) and to new properties they would develop. He added this would be at speeds of up to 300 Mbit/s and wished to say well done to those involved at Chapter Homes.

4 Declarations of Interest

Councillors A Patterson and E Scott both declared an interest in relation to Item 7, DurhamWorks Programme, being employers/providers to the programme.

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 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: the next phase of Forrest Park could see the creation of 3,200 jobs and deliver a Gross Value Added (GVA) boost of £495 million over the next twenty years; an investment of nearly £1 million in new machinery at PLG Glass based at Peterlee; the North East returning to the top of UK's unemployment, having the largest unemployment rate although the unemployment rate has decreased in County Durham as stated in the Quarter 1 performance report ; and a report by manufacturers highlighting the North East manufacturing sector is growing faster than any other region.

Resolved:

That the presentation be noted.

7 DurhamWorks Programme

The Chairman introduced the Strategic Manager - Progression and Learning, Linda Bailey who was in attendance to give an update as regards the DurhamWorks Programme (for copy see file of minutes).

The Strategic Manager - Progression and Learning reminded the Committee of the previous updates given in relation to the DurhamWorks Programme and noted that there had been good progress made, though still with some challenges to overcome.

Members noted the figures in terms of the funding for DurhamWorks, Youth Employment Initiative (YEI) funding, European Social Fund (ESF) and Durham County Council (DCC) match funding and the targeting of those aged 18-24, were not in education, employment or training (NEET) and that the programme would operate from April 2016 through to July 2018. It was explained there were a number of delivery partners and sub-contractors and that an element was to try to stimulate demand within businesses to create opportunities for those young people.

The Strategic Manager - Progression and Learning explained the outputs relating to DurhamWorks, and noted areas that were progressing well and areas for further work.

It was highlighted that there were less female participants, though a new delivery partner in terms of looking to help teen parents may help to encourage more uptake by females. She highlighted that the figure did not include those that would have started courses that would have enrolled in September 2017. Members noted it would be a challenge to be able to have 5,800 young people in the programme before July 2018, and also it would be difficult to be able to separate out between DurhamWorks and other interventions.

The Strategic Manager - Progression and Learning referred Members to statistics relating to: NEETs and “not knowns”; those participating in learning from vulnerable groups aged 16 and over; unemployment in 20-24 year olds; and the claimant count for those aged 18-24. Members noted performance in terms of finance and also learned as regards marketing and communications, with the Strategic Manager - Progression and Learning thanking Members who had helped in promoting DurhamWorks within their areas.

The Strategic Manager - Progression and Learning explained as regards the initial findings so far in terms of the evaluation of the DurhamWorks programme, with areas highlighted as being successful including: wraparound support; vulnerable groups were well represented and making positive progressions; and delivery partners doing good work with young people. It was also highlighted that focus should be on improving communication and partnership working, especially with the “older” young people who were not as keen to engage in activities.

The Chairman thanked the Strategic Manager - Progression and Learning and asked Members for their questions.

Councillor P Jopling noted DurhamWorks was a very good programme and asked how we attempted to engage with the “not knowns”. The Strategic Manager - Progression and Learning noted that the positive aspect was that the percentage of “not knowns” was around 2% and this was the lowest it had ever been. It was added that there were plans to visit North Tyneside Council to speak to them as regards successes they had in this area and the employment of more engagement officers should also help. Members noted that youth workers and other professionals can often engage with those young people better and partners were encouraged to innovate and try new ideas, linking with others such as the Area Action Partnerships (AAPs).

Councillor L Maddison noted the large sums invested in DurhamWorks and asked how outcomes would be measured. The Strategic Manager - Progression and Learning noted that any participant would have wraparound provision and that they would be kept in touch with, though few had finished the DurhamWorks programme. It was added that even at the point the young person had finished their programme, the Department for Work and Pensions (DWP) continued to measure for a period of six months looking at Pay as you Earn (PAYE) information or Further Education (FE) records.

Councillor J Atkinson asked similarly whether successes and failures that had been identified were fed back through to ensure what did not work was stopped and what did work was encouraged. The Strategic Manager - Progression and Learning noted that when clearly not working those elements would be looked at, for example the “older” young people were not keen on repeated employability training, and in terms of building on successes, the excellent work helping vulnerable groups was encouraging. It was added that this information was captured within the evaluation process.

Members noted that there were difficulties in modelling when looking at issues such as half of the places generated via the Business Advisors were not taken up by DurhamWorks clients, however it was important to have those places filled. It was added that the quarterly evaluations could be shared for Members' information.

Councillor E Scott welcomed the work with vulnerable groups and asked as regards New Employment Zones. The Strategic Manager - Progression and Learning noted that Business Advisors within the Regeneration and Local Services directorate, and Business Durham, worked with businesses to create opportunities for young people and to also explain to employers the benefit they would receive from taking on an apprentice. It was added that while it was good that 50% of the opportunities generated went to DurhamWorks clients it was hoped for more.

The Employability Manager, John Tindale explained that while the aim was to fill an opportunity with a DurhamWorks client, however, if this was not possible it was preferable to fill the place with someone that could help benefit that business.

Councillor E Adam noted a lot of positive information relating to DurhamWorks, though was disappointed in terms of the inactive participants, adding that he would be interested to have a breakdown of the 1,592 in work, training or education in August 2017, to make it more meaningful for Members. The Strategic Manager - Progression and Learning noted the reporting was as per DWP categories, with the majority of those being apprenticeships and employment.

Councillor P Howell noted an excellent report and added that in terms of the "not knowns", it would be useful to have numbers as well as percentages to be able to understand the scale of the issue. The Strategic Manager - Progression and Learning noted this and would look to circulate that information.

Councillor D Hall noted the tracking of the DurhamWorks clients, including the period of 6 months after via the DWP but asked what happened after in terms of learning from the DurhamWorks programme. The Strategic Manager - Progression and Learning explained that the programme would end 18 July 2017 and the DWP would track progression 6 months after that. It was noted that there was an opportunity to bid for some EU funding that may allow for some successful activities to continue, from July 2018 up to 2021. Members noted that such a bid may not be successful, and would comprise £4.8 million and £3 million match funding and therefore would not be of the scale of the DurhamWorks programme. She added that if a bid was successful it may need to focus on what groups had the most need and indeed not all DurhamWorks programme may come to an end, with some elements of sustainability having been built in. It was added there may be other EU funding opportunities for those over 18 years of age, and also for those aged 15-18. It was noted that as the Authority had a statutory duty in terms of that agenda it linked in well.

Councillor J Clare noted he welcomed the positive impact for vulnerable young people, the one-to-one support and agreed that repeated employability courses were of very limited use. He also welcomed any work that would look to engage with Year 11 pupils, at age 15 and felt this would be of great benefit. He added that his worry in terms of the successes of the programme was the danger that they would stop as soon as funding disappeared. He concluded by noting that the target of 5,800 may not be met and asked if there was any potential for clawback in terms of funding provided.

The Strategic Manager - Progression and Learning explained that a 15% tolerance had been factored into the programme, and the modelling and managing of the programme had been very tight.

Councillor R Ormerod echoed the comments of several Members in noting that percentages and the actual numbers involved were both useful for Members to understand the issues.

Councillor P Jopling added that in the cases where companies or partners were underperforming, how long were they allowed to continue operating. The Strategic Manager - Progression and Learning noted it was broadly speaking, 3 months with terms set out within the relevant Service Level Agreements.

Mr T Batson congratulated the Officers in relation to the huge amount of work that had been undertaken in relation to DurhamWorks and asked whether there was any segregation seen in terms of urban and rural communities. The Strategic Manager - Progression and Learning noted that performance data was mapped geographically and there was commissioning in terms of rural activities though noted there was often a difficulty for potential partners to gather the critical mass for some activities. It was added that wraparound support was good for both urban and rural areas, good for those 16-18, more challenging for those aged 18-24. The Strategic Manager – Progression and Learning confirmed that a map is available which could be shared with members showing participation on a geographical basis.

Resolved:

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

8 Skills Development Scrutiny Review Report - Update on Progress of Recommendations

The Chairman asked the Overview and Scrutiny Officer to update Members in terms of the progress made with the recommendations of the Economy and Enterprise Overview and Scrutiny Working Group review of the support provided for skills development within County Durham (for copy see file of minutes).

The Overview and Scrutiny Officer noted Officers were also in attendance to help answer any queries from Members, namely: Strategic Manager – Progression and Learning; Employability Manager; Principal Area Action Partnership Coordinator, Andrew Megginson.

Members were reminded that a number of recommendations had been agreed by the working Group following its review in 2015/16, which had involved officers from DCC, partners from Colleges and training providers, employers and with several site visits to speak to them and ask what skill they needed for the future. Councillors were reminded that the report and recommendations had been agreed by Cabinet in October 2016 and reported to the County Durham Economic Partnership in November 2016.

Members were asked to note the progress with the nine recommendations as set out in the report at Appendix 2 and were asked for their questions.

Mr T Batson recalled that the review had been conducted well and when visiting industry they had very receptive and positive as regards the Council's involvement. He asked in relation to recommendation 5, proactive promotion of the importance of careers advice within schools, was there anything new being done and were all levels of education being looked at and how to track the real progress of our young people.

The Strategic Manager – Progression and Learning noted the destinations are measured when young people leave school, Key Stage 4 (KS4), and there is data available of destinations upon leaving college (KS5), and Higher Education establishments record information also. It was noted that careers advice and work experience were statutory duties for schools, after changes in legislation, with DCC supporting them.

Councillor R Crute noted the strong progress in terms of the recommendations, and noted the value of bringing schools and businesses together to help better inform as regards options that were available. He added that the impact of the new school funding formula may cause the careers advice and work experience work in schools to suffer as their budgets come under increasing pressure.

Councillor J Clare noted he found it difficult to assess progress being made against the recommendations without a set of actions. He noted there did not seem to be much in terms of the apprenticeship levy though did not know if this was a good or a bad thing and asked for any areas of success or concern to be highlighted with Members.

The Employability Manager noted it was still early and work was ongoing with the small and medium sized companies as regards this. He added that larger companies had already looked at the issue within their business plans and the smaller companies appeared to be "holding their breath" to see how things develop. He noted that national Apprenticeship Grants for Employers (AGE) had ended and DCC grants that had mirrored these had also ended. Members noted that DurhamWorks had helped, though this too would end, and that the next set of EU funding may be the last opportunity to help secure support and it was explained that while there was a lot of interest from employers, for small and micro businesses a little financial incentive went a long way.

The Principal Area Action Partnership Coordinator explained, in relation to recommendation 6, that employability and skills had been a priority for 8 of the 14 AAPs, and young people and families was an issue all 14 AAPs had set as a priority. He added that currently there were 92 live projects, supported by approximately £1 million of funds from AAPs and Councillors' Neighbourhood Budgets. It was added that the AAPs worked with the Employability Manager and DurhamWorks to see how the AAPs could help "fill the gaps". Councillors noted work from employability skills through to engineering apprenticeships and examples of help to funding "coding clubs" in primary schools to help young people develop an interest and skill in this area. The Principal Area Action Partnership Coordinator noted the potential EU funding mention relating to community led development programme.

Councillor J Atkinson noted at the last meeting he had asked as regards the reasons why young people did not complete their apprenticeships and asked whether there was a way of looking at the recruitment process and for DCC to be involved to try and ensure the process was as correct as it could be in order to have sustainable apprenticeships.

The Employability Manager noted that young people were referred, for example from the Job Centre, and they would have a one-to-one advisor looking at their skills and providing support such as interview techniques. On the employer side, Business Advisors would work with employers to create opportunities and then we would look to marry the two together. It was added that employers would look to have a choice and Business Advisors would look to match up with several young people and while the majority of young people and employers worked to succeed, this is not always the case, it was a two-way match. Councillor J Atkinson asked how we look at the instances where it had not worked to find out the reasons why. The Chairman noted that the committee had previously looked at apprenticeships in detail and that the information could be forward to Councillor Atkinson.

Councillor L Maddison noted that 800 volunteers ambassadors was very good, however, asked how they were selected and how were outcomes measured, and also asked as to the work DCC carried out with schools in supporting information, advice and guidance, were teachers picking up on the help on offer.

The Strategic Manager – Progression and Learning noted that the Business Ambassadors were volunteers and were trained by DCC, and then the Authority would look to offer Ambassadors to schools, looking for a good fit for the school and business, looking at several criteria including geography. It was added around 70-80 were trained each year. In respect of the professional development for teachers in relation to careers advice, DCC offered a two stage development opportunity, with a small number of schools, around 12 having taken up the opportunity.

Councillor E Adam noted in relation to Appendix 2, Item 2, the North East Area Report, how could Members access this and added that with devolution on hold, how would the County be able to access funding of this nature.

The Strategic Manager – Progression and Learning noted she could circulate the report, noting Tees Valley had overturned all the recommendations. She confirmed that the authority had access to the Adult Education Budget and the Adult Skills and Further Education Budgets, though in devolution areas this would have been flexible and with more control for providers, in non-devolution areas it would remain nationally controlled. Councillor E Adam noted he had thought that the proposed devolution would cost Local Authorities more in the long run and noted that the time and effort that had been wasted in terms of the North East Area Report was very disappointing.

Councillor P Sexton asked whether funding or resources had been factors in AAPs citing a drop in apprenticeships as priorities shifted. The Principal Area Action Partnership Coordinator noted that now 8 of the 14 AAPs had skills as a priority, compared to 11 of 14 previously in 2014/15. It was added that this may be an area that AAPs would focus on again and may come back to.

Resolved:

- (i) That the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress update on the review recommendations at a future meeting.

9 EU Funding

The Chairman introduced the Funding and Programmes Manager, Claire Williams to update Members in terms of EU Funding (for copy see file of minutes).

The Funding and Programmes Manager noted that the report followed on from those received in terms of DurhamWorks and skills development and she would give an update in terms of EU funding opportunities.

It was explained that it had been 10 months since the last update to Committee and that in the light of the Brexit result, the Treasury had noted would secure funding up to the point of Brexit, with a commitment up to March 2019.

In terms of European Rural Development Funding (ERDF), as of mid-September 2017, £20.9 million had been contracted in County Durham, with a further £20.21 million in project applications, the total being around 55% of Durham's allocation. Members noted 25.7 million in relation to European Social Fund (ESF) for County Durham, with a large proportion of this having been linked to the DurhamWorks programme.

The Funding and Programmes Manager noted a list of the projects was set out within the report, highlighting that a large proportion were Small and Medium Sized Enterprises (SMEs), with many being connected to research and innovation, including the low carbon economy. It was explained that there is a number of open calls out currently looking to allocate the remaining funding, and that it was suspected that a further one relating to Sustainable Integration of Young People could be a potential route to help extend elements of the DurhamWorks programme, with further details being set out at Appendix 3 to the report.

Members were reminded of the LEADER programme and the two areas within County Durham: Durham Coast and Lowlands; and North Pennine Dales. It was added that the impact of Brexit had clouded issues, though work now was progressing. Members were also reminded of the European Agricultural Fund for Rural Development (EAFRD), worth up to £10.5 million for the rural areas within the North East Local Enterprise Partnership (NELEP) area. It was added that this fund was seeking applications from projects that sought to grow a business or otherwise support the rural economy, with grants available to support SMEs, tourism infrastructure and food processing.

In terms of Governance, the Funding and Programmes Manager reminded Members that EU funding was only available for projects that fit eligibility criteria contained within the English Operational Programme and supported the objectives of the open calls. It was noted that the DCC processes had been review by Internal Audit in May 2017 and some recommendations had been made in terms of helping to make the processes more robust.

It was noted that Senior Officers from the Council were represented within County Durham Economic Partnership's (CDEP) EU Investment Group and workstream sub-groups.

It was reiterated that there was until March 2019 to commit to spending EU Funding, and the Conservative manifesto referred to the creation of a UK Shared Prosperity Fund. It was noted DCC attended a stakeholder event as regards this, and it had been noted that consultation would take place in the autumn as regards this, however, no further information had yet been received. It was added that a paper had been agreed by the North East Combined Authority's (NECA) Chief Executive that agreed a common set of high level principles to guide the North East's response to future funding, highlighting the need for flexibility and to look at both need and opportunities.

The Chairman asked Members for their questions and comments.

Councillor R Crute noted reference to €9 million YEI funding and asked for an update in terms of the current situation regarding the paper considered by the NECA Chief Executives at a future meeting of the Committee. He continued that there is a need to track the progress of this report/paper and that clarification needs to be sought in respect of the status of the report/paper and whether it would be subject to consideration by Overview and Scrutiny, as he was not aware of the involvement of Overview and Scrutiny, himself being a member of NECA Overview and Scrutiny Committee.

The Funding and Programmes Manager noted in terms of YEI, it had been €9 million cohesion fund, €9 million ESF, with the remainder being match funding from DCC. In relation to the Shared Prosperity Fund she could share the two page update that had been received, however there had been nothing further from Government. Councillor R Crute felt that the issues would be looked at via the NECA Overview and Scrutiny, however, it would be an area for the Committee to keep a track of. The Funding and Programmes Manager added that information as regards other funding had started to become available, however in terms of an "EU replacement" very little information was known. The Chairman noted a letter on behalf of the Committee could be sent to NECA asking for clarification as regards the progress in this matter and the roles for NECA Overview and Scrutiny and Local Authorities' Overview and Scrutiny in this regard.

Councillor E Adam asked in relation to LEADER whether funding was to manage projects or to help create jobs and make the communities sustainable. The Funding and Programmes Manager noted that the jobs created were within businesses, for example two jobs at an equestrian centre that would hopefully be sustainable through their business plan and another being the creation of "glamping pods", whilst small scale, they created a direct impact. Mr T Batson noted that the impact on SMEs would be important in terms of funding and asked if this was including for buildings and structures. The Funding and Programmes Manager noted it could do, in specific circumstances.

Resolved:

- (i) That the report be noted.
- (ii) That a letter be sent on behalf of the Economy and Enterprise Overview and Scrutiny Committee to the NECA asking for clarification in terms of the current status of report/paper and whether it will be subject to Overview and Scrutiny.

10 Local Growth Fund

The Chairman introduced the Strategy and Partnerships Team Leader, Heather Orton to update Members in terms of the Local Growth Fund (for copy see file of minutes).

The Strategy and Partnerships Team Leader noted that since 2014, Government had awarded Growth Funds to Local Enterprise Partnerships (LEPs) for projects that benefited a local area and the national economy. It was noted that there was a NELEP Development Pipeline to help deliver the economic ambitions set out in the North East Strategic Economic Plan. It was added that in round three, the NELEP was allocated £49.7 million, with the majority of which, £41.9 million was to support the International Advanced Manufacturing Park (IAMP) at Sunderland/South Tyneside. Members noted none of the Durham round three bids had been successful.

Councillors were referred to table 1 within the report that set out the DCC LGF 1 and 2 funded projects: Infrastructure for Forrest Park; NETPark Infrastructure Phase 3; Horden Rail Station; NETPark Explorer; Auckland Castle Welcome Building Infrastructure Works; and the Durham City Incubator.

The Strategy and Partnerships Team Leader noted that in terms of post-LGF, there had been no announcement of further rounds from Government and therefore Authorities, including DCC would work with the NELEP in terms of utilising any under spends and would look to other sources of funding. It was added that these included the National Productivity Investment Fund, which DCC had submitted two bids, and the Housing Infrastructure Fund.

The Chairman asked Members for their questions on the report.

Councillor J Atkinson asked for clarification as regards page 59 of the report, paragraph 3 which stated “mini high growth business, skills and innovation programme” and “none of the standalone Durham bid submissions were successful”.

The Strategy and Partnerships Team Leader explained that the NELEP had asked for Local Authorities to submit a combined bid, with a Durham bid being linked to Aykley Heads and sustainable transport, however this was not successful. It was added however, that Government had allocated £49.2 million to the NELEP, with the majority going to the IAMP, and the remainder to “mini programmes” supporting small projects across the North East.

Resolved:

That the report be noted.

11 Quarter 4, Revenue and Capital Outturn 2016/17 and Quarter 1, Forecast of Revenue and Capital Outturn 2017/18

The Chairman introduced the Principal Accountant, Resources, Paul Raine to speak to Members in relation to the Quarter 4, 2016/17 and Quarter 1, 2017/18 Revenue and Capital Outturn (for copy see file of minutes).

The Principal Accountant noted for the Quarter 4 2016/17 Revenue and Capital Outturn the areas that were reported upon were the General Fund Revenue Account and the Capital Programme for the RED Service.

Members noted the service had reporting a outturn position with a cash limit underspend of £1.644 million against a revised annual General Fund Revenue Budget of £27.802 million, in comparison to the Quarter 3 estimated this represented a variance of £0.634 million. Members noted the variances within the budget, with the detailed explanations as set out within Appendix 2 to the report. The Committee were informed that the service grouping delivered the Medium Term Financial Plan (MTFP) savings for 2016/17 of £1.118 million.

As regards the Capital Programme 2016/17, the Principal Accountant explained that the actual spend to date had been £39.914 million, against a revised budget of £36.581 million, and that some projects were implemented over a number of years and a breakdown of the major capital projects was given at Appendix 3 to the report.

The Chairman thanked the Principal Accountant and asked Members for their questions on the Outturn 2016/17 finance report.

Councillor P Howell asked for further details as regards the cash limit regime. The Principal Accountant noted that in terms of budgets there were elements that budget managers could control, for example staff, and elements beyond their controls such as routine maintenance on buildings or capital charges. The Principal Accountant added that by having a cash limit, this allowed for better spending in each year, preventing a rush to utilise budgets within each year, better for projects spanning over a few years. It was suggested that a budget seminar is arranged for Members.

Mr T Batson asked whether there were some elements that were dictated by Central Government, within legislation. The Chairman noted that it may be useful for a seminar in this regards and that this could be taken forward if sufficient interest is raised.

Councillor J Atkinson noted the position in terms of being under budget on employees and asked what pressures this presented upon those staff that remained. The Principal Accountant noted that a number of staff that leave under early retirement and/or voluntary redundancy would not be replaced, however not all go at 31 March, though the saving is effective from 1 April. He added that there would subsequently be fewer staff in post.

Councillor J Clare noted Appendix 2 had previously repeatedly had reference to an over spend on parking, however, it was not contained within this report. Accordingly, he asked what the reason was for this. The Principal Accountant noted that over the year there would be cautious estimates, and areas of concern would be identified, and that in some cases by the year end, those areas are in line with budgets.

The Chairman asked the Principal Accountant to speak in relation to Quarter 1, 2017/18.

The Principal Accountant noted for the Quarter 1 2017/18 Forecast of Revenue and Capital Outturn the areas that were reported upon were the General Fund Revenue Account and the Capital Programme for the RED Service.

Members noted the service was reporting a cash limit underspend of £0.235 million against a revised General Fund Revenue Budget of £26.849 million. Members noted the variances within the budget, with the detailed explanations as set out within Appendix 2 to the report. The Committee were informed that the service grouping was forecast to make overall savings for 2017/18 of £0.929 million, against MTFP savings required amounting to £0.889 million.

As regards the Capital Programme 2017/18, the Principal Accountant noted a revised budget of £40.569, with the spend for the first three months being £7.766 million. Members were reminded Members that the usual spend profile was such that there was greater spend at the year end, with a breakdown of the major capital projects being given at Appendix 3 to the report.

The Chairman thanked the Principal Accountant and asked Members for their questions on the Quarter 1 2017/18 finance report.

Councillor P Howell asked as regards the volatility of the capital programme, asking whether for £40 million for example, it would be £10 million per quarter. The Principal Accountant noted that usually the largest spend would be within Quarter 4 in terms of capital.

Councillor J Clare noted a significant underspend in terms of Visit County Durham (VCD) and noted that this would be an issue to remember for the next meeting. The Principal Accountant noted there had been a restructure within VCD and that while there was one restructure, it would be across 2 years, 2017/18 and 2018/19. Councillor J Clare noted this, however, was concerned as regards the impact this could have on business of VCD.

Resolved:

- (i) That the reports be noted.
- (ii) That Officers arrange for a seminar to be held for Members in relation to budgets.

12 Quarter 1, 2017/18 Performance Management Report

The Chairman thanked the Performance and Improvement Team Leader, G Wilkinson who was in attendance to speak to Members in relation to the Quarter 1, 2017/18 Performance Management Report (for copy see file of minutes).

The Performance and Improvement Team Leader reminded Members of the different types of indicators reported, Tracker indicators and Target indicators and the performance reporting arrangements for 2017/18 would be via a number of key performance questions (KPQs), aligned to the “Altogether” framework of six priority themes. It was noted that in terms of the “Altogether Wealthier” theme, these were:

- 1 Do residents have good job prospects?
- 2 Do residents have access to decent and affordable housing?
- 3 Is County Durham a good place to do business?
- 4 Is it easy to travel around the County?
- 5 How well does tourism and cultural events contribute to our local economy?

It was highlighted by the Performance and Improvement Team Leader that the use of key questions had resulted in highways maintenance performance indicators now being included in the quarterly performance reports considered by this Committee. These indicators had previously been considered by the Environment and Sustainable Communities Overview and Scrutiny Committee and it was intended that these indicators would also continue to feature in the quarterly performance reports for that Committee.

Councillors noted that some of the key achievements in Quarter 1, representing April to June 2017, included: the employment rate being at its highest level since 2007/08, better than the regional rate, though lower than the national rate. Members noted a stable position in terms of the number of young people in receipt of Universal Credit or Jobseeker's Allowance, fewer than the regional level, greater than the national level. The Performance and Improvement Team Leader explained that in terms of DCC apprenticeships, 68.4% were sustained for 15 months or more. In relation to housing, Members noted the figures with more empty properties being brought back into use, and more net new homes being completed in comparison to the previous year. Members noted the number of affordable homes delivered was in line with target, however was fewer than for the same period last year. It was added that the number of homelessness preventions was less than last year, however it was noted that new statutory duties were coming into effect and this would be an area being looked at. The Performance and Improvement Team Leader concluded by noting the performance in terms of the road network which the Local Authority was responsible, noting the last satisfaction survey highlighted performance above the national average.

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

Councillor L Maddison noted that in terms of highways repairs, on occasion they do not appear to be of satisfactory quality and were often subject to further repair. She asked if when outside agencies, such as utility companies, carried out works were there conditions imposed to ensure the highway was reinstated correctly. The Performance and Improvement Team Leader noted she would make the relevant enquires. Councillor J Clare noted that in terms of the quality of DCC repairs to the highway, in some instances if there is an urgent need to prevent a danger or severe damage to vehicles then a temporary repair may be carried out, with a long term repair then listed within the maintenance schedule. Mr T Batson noted that utility companies were outside of DCC control, however, felt as they worked closely with the Local Authority there would be standards in terms of reinstatement.

Councillor J Atkinson asked as regards targets set in terms of employment rate. The Performance and Improvement Team Leader noted that some issues were outside of the direct control of the Local Authority, and therefore were tracker indicators, without targets. However, those issues that DCC could have a direct control over, or via partners, such as bringing empty properties back into use, these could have an associated target as appropriate.

Councillor J Clare noted that in relation to REDPI 36a, the number of clients who have accessed the Housing Solutions Service and for whom homelessness has been prevented, a percentage would be more useful in showing performance trends. The Performance and Improvement Team Leader noted she would include for future updates.

Councillor M Davinson noted that in relation to apprenticeships there is a need to show those apprenticeships where the duration of the apprenticeship is a year separately in the data set as they would not be included in the data for those apprenticeships sustained for 15 months although with changes in regulations it would be difficult to compare until a baseline is established.

Councillor P Jopling asked as regards from 735 DCC apprentices, 218 left the scheme, was this before 15 months. The Performance and Improvement Team Leader noted that this was approximately 15%, with Councillor M Davinson noting that there could be some that have one year apprenticeships, the Performance and Improvement Team Leader noted she would seek clarification as regards this.

Resolved:

That the report be noted.

13 Minutes of the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 4 July 2017 were received by the Committee for information.

**Economy and Enterprise
Overview and Scrutiny
Committee**



2 November 2017

**Masterplans for County Durham
– latest position**

Joint Report of Lorraine O'Donnell, Director of Transformation and Partnerships and Ian Thompson, Corporate Director of Regeneration and Local Services

Purpose of the Report

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with progress made on the development and delivery of masterplans, prior to a presentation by officers from the Community Economic Development Team and Spatial Policy Team.

Background

- 2 The Economy and Enterprise Overview and Scrutiny Committee has previously received presentations providing information on the development and implementation of the various masterplans for County Durham. The committee agreed in September 2015 that as part of the refresh of the work programme process that on an annual basis the committee would receive detail of masterplan projects/schemes delivered and future proposed projects.
- 3 Arrangements have been made for Chris Myers, Regeneration Projects Manager; Graeme Smith, Spatial Policy Team Leader, Wendy Benson, Community Economic Development Manager, to attend the meeting on the 2 November 2017 and deliver a presentation focusing on current and planned regeneration activity across the County.

Masterplans and Masterplan Update - Development

- 4 Masterplans (or Regeneration Frameworks – but referred to in this report as Masterplans) are prepared at a town centre or settlement level and are developed to provide detail on current or proposed activity. They are designed to supplement the information provided through the planning framework and can provide an opportunity to ensure the effective alignment of services or investment by the Council and its partners at a local level. This can include town centre improvement budgets, highways and local transport investment and alignment of the Council's accommodation and customer services approaches.

- 5 The development and adoption of masterplans provides an opportunity to challenge, prioritise and channel resources to the most appropriate locations and ensure that requirements and opportunities are resourced appropriately. This has become particularly relevant given the ongoing pressures on public finances and the relatively weak private development sector.
- 6 All masterplans produced follow a broadly similar format and are developed using a multi-disciplinary group of staff driven by the Regeneration and Local Services (formerly Regeneration and Economic Development) service grouping which typically included Planning, Economic Development, Housing and Transport colleagues and depending on the location other service areas or partner organisations may input throughout the process.
- 7 As part of the development of the masterplans detailed consultation has taken place with external individuals, groups and organisations that fed their thoughts into the document. A key element of this consultation relates to the relevant Area Action Partnerships, many of which have identified or retain task and finish groups looking at the main centres.
- 8 A full suite of the 'first round' of masterplans have been delivered for 12 of the Council's largest towns. These often had different titles, being known as masterplans, development frameworks or regeneration frameworks. The programme of the 'second round' of masterplans has commenced delivery, with the development of Chester le Street Masterplan currently under way.
- 9 Separate to the ongoing programme of development of 'full' masterplans, the Council developed a series of Masterplan Update documents for those towns benefitting from a masterplan. These documents were considered and approved by cabinet in two tranches in December 2016 and January 2017 and were subject to discussion with the AAPs. These Masterplan Update documents provided an overview of each settlement, current actions and future confirmed actions.

Current Position

- 10 Through the Brighter Bishop Auckland Regeneration Partnership, Ryder Architecture have been appointed to prepare a town centre focused regeneration masterplan. This work is underway and it will be completed early in 2018.
- 11 The development of the Chester-le-Street masterplan document has commenced and has been subject to discussion with the AAP. The next step in the development of this masterplan is to further explore the evidence base in respect of the town centre with the AAP. This will provide an opportunity to understand for context, the mix of existing retail and other users in the town centre, vacancies and change over time.
- 12 Officers will continue to seek resources through the Capital Programme to implement the various projects outlined in the Masterplan documents.

Recommendations

- 13 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation.
- 14 That the Economy and Enterprise Overview and Scrutiny Committee is kept updated on an annual basis on the development and implementation of the various masterplans.

Background Paper(s)

Economy and Enterprise Overview and Scrutiny Report - Masterplans for County Durham – 3 November, 2016.

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

Appendix 1: Implications

Finance – Each masterplan contains a detailed delivery plan with identified costs across Council services. The Masterplan Updates provide a quick update and other than staff resource have no financial implications.

Staffing – None other than commitment of existing staff in Real.

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

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

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

Crime and Disorder - None

Human Rights - None

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

Procurement - None

Disability Discrimination Act – None, although projects coming out of the Masterplans will be subject to assessment as appropriate.

Legal Implications – The masterplan documents will provide evidence to support planning decisions but it will have only very limited weight in the planning process.

**Economy and Enterprise
Overview and Scrutiny
Committee**



2 November 2017

NECA Transport Activity

**Report of Ian Thompson, Corporate Director of Regeneration
and Local Services**

Purpose of the Report

1. To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with a brief overview of the transport activity undertaken by the North East Combined Authority (NECA).

Background

2. The North East Combined Authority (NECA) was established in April 2014 as a legal body that brought together the seven councils which serve County Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.
3. NECA was created to assist with the coordination of economic development, transport and skills across the seven authorities, with the aim of creating better conditions for economic growth.
4. The legal Order creating the new combined authority conferred upon NECA the statutory role of 'Transport Authority' for the whole area. This had the effect of transferring certain transport functions from the County Council to NECA. These functions primarily related to public transport (bus services) and the duty to prepare a Local Transport Plan.

Delegation back to DCC

5. Under the Constitution and Operating Agreement of the Combined Authority, the operational delivery of public transport was delegated back to both Durham and Northumberland Councils; with Nexus retaining responsibility for delivering public transport across Tyne & Wear.
6. The above delegation allowed Durham to retain control over its budget and the delivery of public transport functions; with a requirement to make an annual report to NECA covering its activity in this area.

NECA Transport Activity

7. NECA provides a role both in relation to strategic transport issues and also in the coordination of local transport, ensuring that transport decisions are joined up across the NECA area and are aligned to the wider economic strategy.

Strategic Transport

8. Acting as a single voice for the region, NECA can provide a useful advocacy role on key strategic transport issues, helping to influence investment decisions at a national or sub-national level.
9. NECA provides representation on the board and working groups of Transport for the North and Rail North. Key issues for Durham in these agendas include:

Strategic Roads

- Confirmed scheme - dualling of the A66 to improve trans-pennine crossing
- Study – improvements to A19 (Dishforth to Tyne Tunnel) upgrade to ‘expressway’ standard with junction improvements, smart technology and gap closures
- Support for Darlington northern relief road – which would improve access for N Aycliffe/Hitachi etc to Teesside/Teesport

Northern Powerhouse Rail

- Leeds to Newcastle rail corridor – study looking to improve East Coast Mainline capacity and line speed (including option of reinstating the Leamside Line)
- Durham Coast Line – study to improve journey times (signalling and line speeds)
- Maximising the benefits of HS2, making stations HS2 ready, and influencing further investment in high speed rail
- Support for the development of Horden Rail Station

Freight

- Study looking to improve ‘Rail freight’ across the north, including access to ports and addressing capacity issues

Integrated and Smart Travel

- Development of joined-up ‘Smart Ticketing’ for travel across the Northern Powerhouse area
- Improved information / integration / journey planning / real-time etc

North East Rail Management Unit

10. The North East Combined Authority together with Tees Valley Combined Authority, Cumbria and North Yorkshire have established a unique partnership with Northern Rail, the first of its kind in the country, to co-manage the rail franchise in the North East. The North East Rail Management Unit (NERMU) was developed to provide oversight and management of the Northern Franchise, looking at performance, marketing, development and investment decisions to improve rail travel across the north.

Local Transport

11. At a local level, NECA have published a Transport Manifesto setting out the wider transport ambitions for the area and continue to develop a full Transport Plan. The NECA Transport Plan will set out the high level objectives and a framework for transport investment decisions. It is anticipated that there will also be a need for local delivery plans for each of the constituent authorities.
12. Progress continues in developing a ten year NECA Cycling and Walking Strategy and a five year Implementation Plan for the area, which will become a daughter document to the Transport Plan.
13. The three public transport delivery areas of Nexus, Northumberland and Durham are working with the Bus Operators to develop a joint bus strategy for NECA. The Bus Strategy will also be a daughter document of the NECA Transport Plan and aims to provide a strategic framework for improving bus services.
14. Work to improve the ticketing offer for young people continues to be a focus for NECA. A task and finish group has been established with a vision to develop a more consistent and attractive ticketing offer for young people travelling by bus across the NECA area.
15. Nexus, working on behalf of NECA, have developed the business case for replacing the Tyne & Wear Metro fleet and upgrading the Metro infrastructure. A parallel workstream has also been looking at the future of Metro and local rail services, including options for potential Metro extensions.
16. NECA is committed to tackling poor air quality and provided a detailed response to government's recent Air Quality Plan consultation. NECA's response emphasised the need for clear guidance from government, introducing measures at a national level, rather than passing all of the responsibility to Local Authorities.
17. NECA working with Newcastle University have successfully secured grant funding to deliver two Electric Vehicle Filling Stations and up to eight Rapid Electric Vehicles Chargers across the NECA area. Work is also ongoing with the local authorities to construct a model for the management, operation and enhancement of the existing estate of EV charging infrastructure to encourage further take up of electric vehicles across the North East.
18. NECA are also coordinating bids on behalf of the region for car clubs and clean vehicle technology. In addition, they coordinate a NECA wide freight partnership, bringing together public and private sector operators to raise standards, improve safety and cut the costs of moving freight.
19. The NECA transport team work closely with the North East Local Enterprise Partnership (NELEP) in relation to programme management and developing a forward pipeline of major transport capital investments funded through the Local Growth Fund and other funding streams. Horden Station is one of the prioritised major schemes attracting £3.34m from regional funding.

Recommendations

20. Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation of this report.

Background Paper(s)

NECA website: <http://www.northeastca.gov.uk/>

Contact: Adrian White, Head Of Transport & Contract Services
Tel: 03000 267 455 E-mail: Adrian.white@durham.gov.uk

Appendix 1: Implications

Finance – DCC make a contribution of £68k pa towards the running of the NECA core transport team.

Some funding streams, such as the Local Transport Plan (LTP) funding are channelled through NECA. In addition, there are a number of government's competitive funding initiatives where it is necessary to bid through NECA as the statutory transport authority for the area.

Staffing – None

Risk – None

Equality and Diversity – NECA has the same statutory duties as other local authorities in relation to considering equality and diversity

Accommodation – None

Crime and Disorder – None

Human Rights – None

Consultation – None

Procurement – None

Disability Discrimination Act – None

Legal Implications – None

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**Economy and Enterprise
Overview and Scrutiny
Committee**



2 November 2017

Local Transport Plan

**Report of Ian Thompson, Corporate Director of Regeneration
and Local Services**

Purpose of the Report

- 1 To provide Members of the Economy and Enterprise Overview and Scrutiny Committee with a brief overview of the Local Transport Plan and its current position.

Background

- 2 The Local Transport Plan (LTP) was originally introduced by the Department for Transport (DfT) in 2001 and is a statutory document as set out in the Transport Act (2000).
- 3 The duration of each plan was originally set at five years, but the Transport Act (2008) removed the duration requirement.
- 4 In line with Department for Transport (DfT) guidance, our third Local Transport Plan (LTP3) was introduced in April 2011 following approval by Cabinet in March 2011.

Local Transport Plan

- 5 The role of LTP3 is to provide a transport strategy and delivery plan that supports economic growth in County Durham whilst setting out the authority's policies and objectives for the improvement of all modes of transport.
- 6 With the set duration requirement removed, for our LTP, no end date was set meaning it could be updated and replaced whenever it is deemed suitable.
- 7 In the guidance for the preparation of Local Transport Plans, the DfT set out National Transport Goals and associated challenges/objectives and it was expected that individual LTPs would reflect these as their overarching priorities.
- 8 As suggested, these national goals were adopted for the County Durham LTP3. However, they were worded more appropriately as a local interpretation to link with other council priorities. The goals and objectives adopted are:

Goal - A Stronger Economy through Regeneration	
1	Maintain or improve reliability and predictability of journey times on key routes for business, commuting and freight.
2	Improve connectivity and access to labour markets of key business centres.
3	Deliver transport improvements required to support sustainable housing provision.
4	Ensure local transport networks are resistant and adaptable to shocks such as economic shocks, adverse weather, accidents, attacks and impacts of climate change.
Goal - Reduce Our Carbon Output	
5	Reduce greenhouse gas emissions.
Goal - Safer & Healthier Travel	
6	Reduce the risk of death or injury from accidents.
7	Reduce the cost to health of transport including air quality impacts
8	Improve health by encouraging and enabling physically active travel.
9	Reduce crime, fear of crime and anti-social behaviour on transport networks.
10	Ensure disadvantaged people in deprived or remote areas can access employment opportunities, key services, social networks and goods.
Goal - Improve Quality of Life and a Healthy Natural Environment	
11	Reduce numbers of people and dwellings exposed to high levels of transport noise.
12	Minimise impacts of transport on natural environment, heritage and landscape.
13	Improve the whole journey experience for transport users.
14	Enhance quality of life by improving accessibility to key services, social networks, goods and places.
15	Integrate transport into streetscapes and connections between neighbourhoods.
Goal - Maintain the Transport Asset	
16	Maintenance of the Transport Asset to reflect the importance of the existing highway network.

- 9 For County Durham, the five national transport goals were complemented by a sixth – Maintenance of the Transport Asset and the associated 16th objective to reflect the importance of the existing highway network.

Alignment and Priorities

- 10 In addition to this, LTP3 was written to align with the Sustainable Community Strategy, Regeneration Statement and County Durham Plan Core Strategy. In line with these other strategies and council priorities, the goals were prioritised.
- A Stronger Economy through Regeneration is considered to be the top priority. However, given the intrinsic role and reliance of transport infrastructure in supporting economic activity, Maintain the Transport Asset must be considered the second priority goal.

- Sustainable growth without irreversible and increasing damage to the environment is something we have to strive for and, therefore, Reduction of Carbon Output is considered to be the third priority goal.
- The remaining goals of Better Accessibility, Safer & Healthier Travel, Improving Quality of Life & a Healthy Natural Environment are each considered to have equal ranking.

11 Therefore, it follows that prioritisation of the goals in this order also determines the relative importance of the objectives for LTP3, at least until the point at which the Plan is next reviewed.

12 There are also 36 policies contained within LTP3 to support the delivery of the goals and objectives. Details of how these policies align with the goals and objectives are shown in Appendix 3 and 4.

Delivering the Local Transport Plan

13 There are various areas of work and funding associated with the delivery of the LTP goals and objectives, ranging from the Block capital funding allocated by the DfT/North East Combined Authority (NECA) to the day-to-day work of certain DCC teams. These areas include:

Core Programme

14 In order to best utilise the capital funding to meet the objectives, it has been aligned to the following delivery areas:

- Sustainable Travel
- Economic/Transport Corridors
- Whole-Town Approach
- Revenue Support
- Maintaining the Transport Asset

15 Within these delivery areas, the allocation is further disaggregated to budget headings relating to specific areas of delivery. See Appendix 2 for more detailed information.

Major Schemes

16 There are some larger scale transport related improvement schemes that are outside the scope of delivery from LTP capital funding alone. These can be funded from a variety of sources, such as:

- Developer contributions
- DfT funding bids (e.g. Local Pinch Point Funding)
- DCC Capital Programme
- North East Combined Authority (LGF)

DCC Activities

17 The delivery of these wide ranging goals, objectives and interventions, is greater than the direct influence of the LTP3, its capital budgets and major schemes or associated projects. Therefore, there are other areas or work needed to be able to deliver the full scope of LTP3.

- 18 These areas are delivered by various teams throughout the council via their general work and/or services they provide.

Access Fund

- 19 Following the end of LSTF funding in 2016, as Transport Authority duties are now held by the NECA, the Combined Authority bid for and was successful in securing Sustainable Transport Transition Year Funding (STTYF), the successor to LSTF. This was for the 2016/17 financial year and was delivered in the Chester-le-Street and Durham areas.
- 20 The NECA then bid for further DfT funding from the Access Fund (a 3-year programme succeeding STTYF). Unfortunately, we were unsuccessful in obtaining the funding when the announcement was made in December 2016.
- 21 However a separate bid made by Living Streets in partnership with ten Local Authorities (including NECA) was successful in being awarded funding and work is being delivered via their 'Work To' project.

LTP Capital Funding

- 22 The DfT provides capital grant funding via two formula based block allocations of Integrated Transport Block (ITB) and Maintenance Block.
- 23 At the start of LTP3 the ITB funding allocation was significantly reduced across the country and the impact for DCC was the previous annual allocation of around £6million was reduced to £2.984million for the first year of LTP3 (2011/12).
- 24 Although central government increased the overall transport funding allocation nationally for the fifth year (2015/16), this was 'top-sliced' to allow the formation of the Local Growth Scheme fund that local authorities could bid into although this meant a further reduction to their ITB funding.

Year	Maintenance Block (£million)	Integrated Transport Block (£million)
1 – 2011/12	11.212	2.984
2 – 2012/13	10.679	3.183
3 – 2013/14	10.132	3.183
4 – 2014/15	9.780	4.475
5 – 2015/16	11.886	2.689
6 – 2016/17	10.897	2.689
7 – 2017/18	10.567	2.726

- 25 In Year 4 the ITB was to increase whilst the maintenance block continued to be reduced. However, we decided that a better reflection of council priorities would be achieved by diverting the additional IT Block funding into Highway Maintenance.
- 26 In addition to this, due to various adverse weather events, the DfT also provided additional Highways Maintenance funding over 2013/14 and 2014/15. These, combined, resulted in the following updated allocations.

Year	Maintenance Block (£million)	Integrated Transport Block (£million)
3 – 2013/14	11.968	3.183
4 – 2014/15	12.079	3.183

- 27 For the 2017/18 financial year, as part of the initial year of National Productivity Investment Fund (NPIF), our ITB funding was uplifted by £506,000 to be used locally towards relieving congestion and providing important upgrades to ensure our roads are fit for the future. The recently completed improvements to Neville’s Cross Junction used part of this funding.
- 28 The Maintenance Block funding has also been enhanced via other funding bids including Incentive Fund and Pot Hole Action Schemes.
- 29 The 2017/18 financial year is the last year for which the DfT has shown allocated funding for the Blocks, future years are currently shown as indicative.

Other Funding

- 30 Improvement schemes of a greater scale (such as roundabouts or new bus stations) are generally outside the scope of LTP capital funding and require support from other services.
- 31 The Council’s capital programme has funded Sunderland Bridge Roundabout, SCOOT and a proportion of Northlands Roundabout amongst others. We were also previously awarded Office for Low Emission Vehicle (OLEV) funding to introduce further electric vehicle charging points at County Council offices.
- 32 The proposed rail station at Horden is part funded by the Council’s capital programme, the Local Growth Fund (via NECA) and we were also successful in securing funding from the DfT New Station Fund (NSF).

- 33 Nationally, there has now been four tranches of Local Pinch Point Funding made available by the DfT. We were successful in securing funding from Tranche 2 to relieve congestion at A1(M) Junction 63 and Picktree Lane Roundabouts in Chester-le-Street.
- 34 In addition to this we are currently awaiting the outcome of bids via the National Productivity Investment Fund, Housing Infrastructure Fund and Safer Roads Fund.

The Future of the LTP

- 35 The creation of the NECA (comprising of Durham, Tyne & Wear and Northumberland) from April 2014 has seen the legal status of 'Local Transport Authority' transfer from the County Council to the new Authority. As a result, the statutory powers previously held by the County Council were transferred to the NECA. While some of these powers have been delegated back to the respective local authorities, NECA will oversee the delivery of transport functions for Durham County Council and the other six local authorities.
- 36 Following the NECA's publication of the 'Transport Manifesto "Our Journey"' in 2016, development of a new 'Transport Strategy for the North' to cover the whole combined authority has been underway. It is anticipated this will be published in 2018.
- 37 Until this new Plan is agreed, adopted and a delivery strategy for Durham is produced, our existing LTP3 will remain in place.

Recommendations

- 38 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided during the presentation of this report.

Background Paper(s)

Local Transport Plan 3 – Transport Strategy (April 2011)
Local Transport Plan 3 – Delivery Strategy (April 2011)
Local Transport Plan 3 – Appendices (April 2011)
NECA – Transport Manifesto "Our Journey"

Contact: Adrian White, Head Of Transport & Contract Services
Tel: 03000 267 455 E-mail: Adrian.white@durham.gov.uk

Appendix 1: Implications

Finance – The budget for LTP3 in 2017/18 is £2.726m for the Integrated Transport Block and £10.567m for the Maintenance Block.

Staffing – None.

Risk – None

Equality and Diversity – Schemes within each project take into consideration equality and diversity

Accommodation – None

Crime and Disorder – Schemes within each project seek to discourage antisocial behaviour through their design.

Human Rights - None

Consultation – Consultation is carried out on individual schemes

Procurement - None

Disability Discrimination Act – It is ensured that people with disabilities are considered in the design of individual schemes.

Legal Implications – None

Appendix 2: Delivery Area Information

Below is a list of the delivery areas with an explanation of what they cover and some highlighted schemes that have been delivered.

Sustainable Travel

- **Public Transport Information**
Improvements to timetable provision, travel information and real-time displays to ensure the public have accurate information available to them.
- **Community Transport**
Providing support to the community transport sector in the provision of vehicles supporting communities and bringing greater accessibility to people.
- **Bus Infrastructure**
Improvements to physical elements of bus stops including bus shelters, bus box markings, raised access kerbs and access to the bus stops.
- **Bus Priority**
In order for bus travel to be a more attractive choice for commuting and travelling generally, delays from congestion and infrastructure issues need to be reduced. This may involve altering junctions, re-phasing of traffic signals, introducing bus gates, reallocation of road space for bus priority and other similar improvements to support the running of bus services. Until 2015/16, this had been prioritised and funded by Transit 15.
- **Taxis**
Improvements to taxi facilities, waiting areas and signage.
- **Workplace Travel Planning & Attitudinal Change**
Looking at attitude change through publicising the importance of reducing dependence on the private car and encouraging the use of alternative modes of transport, especially for journeys that are made on a regular basis and those of a shorter distance.
- **Casualty Reduction**
This work involves the analysis of accident data from the police to identify a programme of Accident Investigation and Prevention (AIP) schemes looking at the issues and identifying remedial works accordingly. These works are delivered as a mix of area, route, specific sites and mass action initiatives.
- **Driver Information/UTMC**
Providing reliable information for drivers can assist the movement of traffic by enabling better informed decision-making by the drivers themselves. Introduction of a UTMC database in County Durham will be of considerable benefit in helping to provide reliable journey times, reduce congestion and assist people in making more sustainable travel choices.

- **Demand Management**
Demand responsive budget, linked with civil parking enforcement, where issues arising require the provision of new road markings, signage, bollards or other related measures along with their required TROs. There is also the need to ensure signs and markings are appropriate for their locations.
- **Electric Vehicle Charging Infrastructure**
Supporting the use of electric vehicles by the provision of and improvements to charging points throughout the county.
- **Air Quality/Noise**
Support for the monitoring of air quality issues in the AQMAs
- **Walking & Cycling**
Developing and improving the pedestrian and cycling networks to make these sustainable modes of transport more attractive and accessible for all. This has a direct link to the Rights of Way Improvement Plan, Cycling Strategy and County Durham Plan to assist in the delivery of making travel in the County more sustainable.
- **Rail Infrastructure**
Improvements to rail stations and access to them.
- **Local Accessibility**
Access improvements to existing local routes often involving the introduction of dropped crossing points (managed by the former Neighbourhood Services).

Economic/Transport Corridors

These schemes involve the identification and improvement of the main freight and commuter routes across the county by removing or reducing delay points. These tend to be the bigger more expensive schemes and can lead to the requirement of additional capital funding for schemes developed that are beyond the scope of LTP funding to deliver. Schemes recently completed include:

- A167 Sunderland Bridge Roundabout,
- A167/A693 Northlands Roundabout Improvements
- A693 Pelton/Perkinsville Junction Improvements

The introduction of cycling super routes also comes under this area where we are looking to provide core cycle routes through the county. The initial corridor, where some infrastructure is already in place, is the A167 which forms part of the proposed Great North Cycleway (Blyth to Darlington). Due to the scale of this scheme and the limited funding available each year, new sections of this route will be completed in stages.

Whole-Town Approach

Focusing on transport improvements within the twelve main settlements in the county in line with the Regeneration Statement ambition for 'Vibrant and Successful Towns'.

Maintaining the Transport Asset

The transport asset is a significant part of the county infrastructure and is used in some part by almost everyone on a daily basis. In order to maintain this diverse asset, there are three areas of work:

- **Highway Maintenance**

As part of the transport asset, the County Council is responsible for the maintenance and management of 3,700kms of highway of which 359kms are Principal or A-class roads, including 3,400kms of footway. These roads are the economic/transport corridors across the county, providing essential links to the motorway A1(M) and the trunk roads A19 and A66.

- **Bridge Maintenance**

The County Council is responsible for the maintenance and structural integrity of 635 bridges, culverts and underpasses, 83 cattle grids, 446 footbridges on public rights of way and a number of retaining walls on the highway network. In addition to these, structures owned by Network Rail and Rail Property Board, which carry the highway, also need to be maintained in an acceptable condition that affords safe and ready access to all users.

- **Street Lighting**

The County Council is responsible for 80,000 streetlights and some 5,500 illuminated road signs. A high priority is therefore placed on maintaining and managing the existing lighting infrastructure to make it safer. Addressing this, together with the objective of reducing crime and the fear of crime are all associated with the need for a well-maintained lighting network.

Economy and Enterprise Overview and Scrutiny Committee

2 November 2017



Scoping report for the review of retail support provided by DCC

Report of Lorraine O'Donnell, Director of Transformation and Partnerships

Purpose of the Report

- 1 The purpose of this report is to provide members of the committee with background information together with the terms of reference and project plan for the scrutiny review of retail support provided by DCC.

Background

National Context - Strategic

- 2 Since 2010 Government has developed a number of policies to assist in the regeneration and economic development of our town centres, cutting across the responsibilities (principally) of the Department for Communities and Local Government (DCLG) and the Department for Business, Innovation and Skills (BIS). Some of these policies have been at regional and sub-regional level including the abolition of the Rural Development Agencies and the establishment of Local Enterprise Partnerships (LEPs).
- 3 There has also been significant policy development at a national level through the National Planning Policy Framework, the new powers in the Localism Act and the publishing of the Portas Review in 2011 looking at the future of Britain's high streets.

Retail - national picture

- 4 A report from the Centre for Retail Research, Retail Futures 2018: Shop Numbers, Online and the High Street, A guide to Retailing in 2018 has some stark data and facts:
 - (a) Store numbers have been falling since the 1920's and it is expected that numbers will fall from 281,930 in 2012 to 220,000 by 2018 with the possible loss of 316,000 jobs. The main impact will be upon non-food stores with numbers forecast to fall by 27.7% or 43,000 stores.
 - (b) Since 2006, almost a tenth (9.2%) of all retail stores have closed (a total of more than 28,000).

- (c) Since 2008, 148 large or medium sized retailers such as Woolworths, JD Sports, Game, Comet and MFI have gone into administration.
 - (d) The largest fall is expected to be in the number of neighbourhood shops, which will reduce by approximately 26% or 35,000 stores.
 - (e) The largest falls are predicted to occur in Wales, North West, East Midlands and Yorkshire and Humberside with the lowest falls predicted in London and the South East.
 - (f) The high cost or lack of convenient car parking is one of the biggest issues that high street retailers face.
- 5 Over the last decade the retail sector has undergone some significant changes which has changed how, where and when we shop. This has had major implications for the space requirements of many retailers which has changed the make-up of our town and cities across the country.
 - 6 During the recent recession the margins of retailers were squeezed and as their costs continued to rise, a number of national and independent retailers either collapsed or reduced the number of stores within their portfolio. This led to declines in the levels of retail floor space occupied within town and city centres. In addition to this many schemes were put on hold or significantly reduced in size. This was particularly notable in the food retailing sector, predominantly larger format stores.
 - 7 The growth in internet retailing has also been a major contribution to change and has meant that retailers no longer need as many stores as they once did. With an online presence they are able to gain national coverage without requiring stores in every town. As a result retailers have turned their focus to strategic locations for larger flagship stores. This has resulted in larger dominant centres and smaller centres being squeezed.

Retail - Regional picture

- 8 Newcastle is the regional centre for the North East and its retail and leisure offer reflects this. Recent developments have focused around Eldon Square and the city centre has a number of mainstream fashion multiples anchored by retailers such as Marks and Spencer and John Lewis. Gateshead town centre has a much more limited retail offer and this is due to its proximity to Newcastle city centre and the Metro Centre. The centre has however seen recent retail led regeneration that has delivered a new large Tesco food store.
- 9 The Metro Centre is the main out of town shopping in the North East and it has a large higher order retail offer with key department anchors such as Debenhams, House of Fraser and Marks and Spencer, complemented by high order niche retailers. A number of bulky goods retailers (Ikea, DFS etc.) operate alongside these, in addition the Metro Centre is also a major leisure destination with a cinema and numerous national chain restaurants. Team Valley is situated immediately south and is also occupied by major high street comparison and bulky goods operators.

- 10 Sunderland performs a regional centre function in the North East although its retail offer is more limited than Newcastle. The main shopping area in the city centre is focused around the Bridges Centre which houses mainstream high street comparison retailers.
- 11 Within the Tees Valley, Middlesbrough is the largest centre. It has three large shopping centres within the town centre with major comparison retailers such as Debenhams, House of Fraser and Marks and Spencer. Teesside Retail Park in Stockton-on-Tees provides the largest out of centre retail provision in the Tees Valley. The retail park has a particularly strong high street retail offer with Next, Marks and Spencer and TK Maxx present. This offer is complemented by a large number of 'bulky goods' retailers including PC World and DFS. Its draw is further enhanced by a large Morrison food store and large scale leisure offer including cinema, ten pin bowling and numerous branded restaurants.
- 12 Darlington town centre offers a number of national retailers including a Debenhams store. Recent development of a cinema should further enhance its role. Elsewhere centres such as Hartlepool and Stockton perform a more limited retail function given their proximity to Middlesbrough and Teesside Retail Park.
- 13 Overall the regional picture is reflective of the national picture, with larger dominant centres continuing to attract key retailers and some of the medium and smaller sized centres struggling to attract investment.

Retail – Local picture

- 14 Within County Durham, Durham City and Bishop Auckland continue to serve large (sub-regional) catchments covering a number of towns across the County.
- 15 Durham City centre is currently subject to some significant change with the redevelopment of The Gates Shopping Centre which is to include a multiplex cinema (Odeon), restaurants and bars, retail and student accommodation. A separate proposal for Milburngate House in the city centre also includes a cinema (Everyman) along with restaurant and residential uses.
- 16 Elsewhere in Durham City, both the Arnison Centre and the Sherburn Road/Dragonville shopping areas perform strongly. Both are anchored by major food stores (Sainsburys at the Arnison Centre and Tesco at Dragonville) and have national retailers operating alongside these food stores.
- 17 There has been significant retail development in the St Helen Auckland area and of the wider Bishop Auckland area. The town centre is still anchored by two major food stores and continues to perform its role as a retail destination.

- 18 Barnard Castle, Chester-le-Street, Consett, Crook, Newton Aycliffe, Peterlee, Seaham, Spennymoor and Stanley are all anchored by at least one food store but serve more localised catchments. The performance of these centres varies, with vacancy rates highest in Newton Aycliffe and lowest in Barnard Castle. Crook town centre has been subject to recent development with the opening of a new Lidl store and other town centres have also been subject to developer interest from similar discount food retailers. Elsewhere, Stanley and Peterlee have both seen planned large format foodstores shelved. This very much follows what is happening nationally.

Support provided by DCC to the retail sector

- 19 DCC has responsibility for regeneration and economic development. The Council's responsibilities in relation to regeneration and economic development are divided into three categories including strategic issues (economic development) planning and licensing.

Economic development and planning

- 20 Most councils aim to deliver economic development and planning at least in part, through the Local Development Framework (LDF) i.e. the County Durham Plan (CDP). The LDF documents must comply with the National Planning Policy Framework.
- 21 The National Planning Policy Framework was subject to significant revision in early 2012. In terms of town centres and retailing, it specifies that planning policy should promote competitive town centre environments and set out policies for the management and growth of centres. The NPPF identifies that Local Planning Authorities should promote competitive town centres that provide customer choice and a diverse retail offer. In some instances planning policies can be used to restrict and limit a particular type of use within town centres. This approach has become prevalent with policies that aim to restrict new hot food takeaways. Planning conditions can also be used to restrict operating hours.
- 22 Applications for 'main town centre uses' that are not in town centres (i.e. supermarkets, other retail uses) are subject to a sequential test so, town centre locations are best, then edge-of-centre, and then, if no appropriate site is available, out-of-town. Where an out-of-town use would be approved under the sequential test, planners will still have to carry out an impact assessment for larger developments.
- 23 The County Durham Plan will set out how much development is required in the county including retail and then look to place it where people want to live and where businesses want to invest. The NPPF requires local authorities to identify where new retail facilities will be focused and where there is a specific requirement for new floor space. To understand where retail need exists a robust and credible evidence base will be used to support retail proposals within the plan. The evidence provided will be from a new Retail and Town Centre Use Study which will identify locations where further provision is required. These locations will be consulted upon as part of the consultation process for the County Durham Plan.

- 24 In addition, Masterplans have been completed for 12 of the county's main towns, helping to guide investment and improvements to towns across the county, setting out how towns will develop in the future, ensuring that buildings and spaces are of the right type and in the right place and complement our existing guidance and documents including the emerging County Durham Plan.
- 25 Examples of work undertaken as part of the Masterplan Programme includes improvements to: main retail areas; pedestrian and vehicular access; footpaths; road networks; shop fronts; crossing points and grass verges and opportunities to input into the future design of some retail areas in the county.
- 26 As the Masterplan Programme progresses it will include: the development of Forrest Park at Newton Aycliffe; a major private sector investment promising a total redevelopment of the riverside in Durham City, the ongoing redevelopment of North Road and new supermarkets in Crook and Stanley.

Financial support

- 27 On the 12 July 2017 Cabinet considered a report detailing the proposed future Business Discretionary Rate Relief Scheme for County Durham. In March 2017 Government made three announcements impacting on Business Rates liabilities in 2017/18:
- a £600 cap on rates bills for those losing Small Business Rate Relief (SBRR)/ Rural rate Relief (RRR) as a result of the revaluation;
 - introduction of a £1,000 discount relief for public houses with a ratable value up to £100,000;
 - funding for the introduction of local Discretionary Rate Relief Scheme for businesses adversely impacted by the revaluation.
- 28 Following the announcements it was identified that 318 small businesses in the county will be facing rates increases over £600 in 2017/18, 208 medium and 68 larger businesses.
- 29 To be eligible for the new relief, it is proposed that businesses will need to meet the following criteria:
- have a ratable value of less than £200,000 i.e. is classed as a small or medium sized business;
 - have had an increase in ratable value following the 2017 revaluation;
 - the ratepayer has a continuing liability i.e. was liable for business rates on 31/3/17 and continues to remain liable for business rates (to ensure the support is targeted to those small and medium sized businesses adversely impacted by the business rates revaluation);
 - as a result of the above the rate payer has seen a net increase of over £600 in their rates bill in 2017/18.
- 30 In addition, DCC also provides funding support to small retail businesses to be used on improving premises which helps to support new business into premises, bring back into use derelict or underused retail space and to encourage business growth.

- 31 DCC also provides a funding support package for business communities, producers, future entrepreneurs and existing independent retail businesses to access trading opportunities on street markets in the county at Chester-Le-Street and Stanley.
- 32 Consideration is being given as part of discussions in relation to the Town Centre Capital Programme to the development of a wi-fi project to deliver an innovative approach to making digital technologies available for use by the general public whilst visiting town centres in the county. The aim of the project is to improve business engagement with customers through the provision of a digital platforms whilst actively promoting the town and associated independent stores and events.

Training support

- 33 Durham Employment and Skills is part of the Regeneration and Local Services Service Grouping and delivers training and assessment packages for local employers, the self-employed and their workforces.
- 34 The County Durham Apprenticeship Programme (CDAP) is managed and delivered by DCC's Employability Team and is the main local apprenticeship programme for County Durham. Since the launch of the programme in November 2011 DCC has worked with over 450 employers to both provide support through the apprenticeship process and to promote the benefits of the apprenticeship route.
- 35 The criteria for the various top up grants provided by the programme to businesses in the county was revised in 2016/17 to increase the range and number of top up grants available, helping SME's to develop further apprenticeship opportunities.

Other support

- 36 The Community Economic Development Team, Regeneration and Local Services will assess business needs, signpost to relevant council's services and help to develop business plans.
- 37 DCC provides during December each year free car parking after 3pm in all council run car parks in the various town centres across the county. The council recognises that the run up to Christmas is a vital trading time for town centre traders.
- 38 'Better Business for All' is a partnership approach developing a new relationship between businesses, local regulators and business support agencies. The overall aim of the North East BBfA partnership is to support economic growth by making it easier to do business in the region. The partnership is made up of local authority regulatory services and representatives from various LAs including DCC, the Chamber of Commerce and the Federation of Small Businesses (FSB).

Support provided by Key Partners

- 39 Various Area Action Partnerships have also undertaken projects/initiatives to support the retail sector with examples including: **Bishop Auckland and Shildon AAP** – Secure Retailer Scheme, The Velo 29 Town Centre Cycle Race increasing footfall; **Chester- Le- Street AAP** –Events to increase footfall, shop front improvements, development of a Destination Management Plan, relaunch of Business Association, town centre parking project, Town Centre Community Resilience Plan to combat impact of flooding on businesses; **4Together AAP** has previously delivered shopfront grants project and retail advice support projects to retailers in the Ferryhill area; **3 Towns AAP** – Market events programme aimed at increasing footfall at the weekly market; **Derwent Valley** – Town centre events in Consett, illuminated windows project, Consett Traders Association; **Stanley AAP** - Stanley Retail Improvement Project.
- 40 There are four Enterprise Agencies in the county. Each Enterprise Agency focuses on supporting individuals considering self-employment and small business owners in starting, growing and developing their businesses.
- 41 The agencies primarily work with the unemployed providing one to one coaching, mentoring and training and networking opportunities for the local business community. Examples of typical programmes provided include: intensive start up coaching, business advice and accredited training.
- 42 The Federation of Small Businesses (FSB) has been supporting small businesses for over 40 years, providing leading business services. Membership of FSB provides a range of benefits including support/advice on how to protect the business, how to save money and how to grow the business.
- 43 The FSB also supports various marketing campaign including ‘Small Business Saturday’ a grass roots non-commercial campaign, highlighting small business success and encouraging consumers to shop local and support local small businesses.
- 44 The North East Chamber of Commerce is the North East’s largest member organisation representing over 3,000 businesses in the region, from SME’s to multi-nationals. The NECC brings business people together across a range of member events and well as supporting businesses. For over 200 years the NECC has been helping businesses and individuals to grow their network, knowledge and influence.
- 45 The NECC holds over 100 events each year resulting in them connecting 5,000 businesses. The Chamber holds regular knowledge events and seminars giving members free access to upskill their business and employees.

- 46 In County Durham we have a Business Improvement District (BID) which operates in Durham City. The Durham BID was established in 2012 and is a business controlled initiative which gives organisations in Durham City the power to raise funds locally, to be spent locally with the aim of improving their own business environment. The BID gives businesses control over the development and delivery of projects with the aim of increasing footfall in the area, leading to an increase in business performance and improvement in the business environment.

Reviews by other local authorities

- 47 For the information of the committee the following scrutiny review have been undertaken by local authorities:
- (a) Scrutiny review report – ‘Creating a vibrant South Shields town centre’ was undertaken by South Tyneside Council in September 2008. The review report examined how the council is supporting the retail sector in South Shields.
https://www.google.co.uk/?gws_rd=ssl#q=South+Tyneside+Council++Scrutiny+review+report++creating+a+vibrant+South+Shields+town+centre&spf=1642
 - (b) Scrutiny review report – ‘Support for the Retail Sector’ was undertaken by Brighton & Hove City Council in July 2012. The review looked at current retail provision and how the Council could support the City’s independent retailers. https://www.brighton-hove.gov.uk/sites/brighton-hove.gov.uk/files/downloads/democracy/Retail_Sector_FINAL_REPORT.pdf
 - (c) Scrutiny review report – ‘Local shopping centres and closure of shops’ undertaken by St. Helens Council in March 2014. The report examined the economic impact the recession was having on local shopping areas and what these areas can do to alleviate the effects.
<https://www.sthelens.gov.uk/media/2790/review-of-local-shopping-centres-and-the-closure-of-shops-march-2014.pdf>

Terms of Reference

Background

- 48 In 2016, the Economy and Enterprise Overview and Scrutiny Committee held a focused scrutiny meeting looking at the support currently provided to SMEs in the county by Durham County Council via Business Durham and key partners.
- 49 At the above meeting it was highlighted that Business Durham did not provide support to the retail sector and it was suggested by members that a focused piece of work should be undertaken by the committee as part of the 2017/18 work programme looking at the support currently provided by DCC to this sector.

- 50 It was agreed by the committee at its meeting on the 29 June 2017 to establish a working group to undertake a review.

Scope

- 51 The focus of the review is to investigate and understand how DCC works with key partners including the Area Action Partnerships (AAPs) to support the retail sector in County Durham. The review will also identify any gaps in support and examine any actions identified by DCC and partners to address these gaps.

Objectives

- 52 The objectives of the review are to:
- (a) Examine and understand DCC's responsibilities for regeneration, economic development and planning with a specific focus on the retail sector.
 - (b) Examine the retail sector nationally, regionally and locally identifying challenges for the retail sector in County Durham.
 - (c) Consider the role of DCC and key partners including AAPs in developing, promoting and delivering retail support in the county.
 - (d) Examine with Commercial Letting Agents in the county the current process for marketing retail premises, the information provided by DCC to agents on the retail offer and any issues/challenges with the current process.
 - (e) Identify any gaps in current retail support in the county and examine any actions identified by DCC and partners to tackle gaps in provision.
 - (f) Examine and understand the Durham BID.

Expected outcomes

- 53 It is expected that the following outcomes will be achieved:
- (a) Awareness of how DCC's current responsibilities for regeneration, economic development and planning support the retail sector in County Durham.
 - (b) An understanding of the retail sector at a national, regional and local level including specific retail challenges for County Durham.
 - (c) Awareness of current retail support provided by DCC and key partners including AAPs.
 - (d) Awareness of the marketing process used by Commercial Letting Agents, the information provided by DCC to agents on the retail offer and the issues/challenges with the current process.
 - (e) An understanding of the gaps in current retail support and consider to what extent DCC and key partners can work together to tackle gaps in provision.
 - (f) An understanding of the Durham BID and consideration as to whether the BID model is appropriate for use elsewhere in the county.

Engagement

- 54 The review group will receive evidence from key partners including AAPs, Enterprise Agencies, the Federation for Small Businesses, the Durham BID and the North East Chamber of Commerce of the various support provided to the retail sector. The review group will also receive information from Letting Agents in the county on the retail offer and the current marketing of empty retail premises providing an opportunity to identify any challenges with the current process. In addition, visits will be undertaken by the group to various local retailers in the county, providing an opportunity for members to engage with local retailers identified by DCC's Regeneration Team and AAPs.

Approach

- 55 The review will receive evidence by reports and presentations from DCC officers and key partners and from discussions with Letting Agents and retailers in the county. The review group will also visit a number of retailers in the county to get their views on current retail support provision.

Membership

- 56 The membership of the review group will consist of members of the Economy and Enterprise Overview and Scrutiny Committee and will be no more than 10 including the Chair and Vice-chair of the Economy and Enterprise OSC. The Chair and Vice-chair of the Corporate Overview and Scrutiny Management Board will be ex-officio members of the group.

Reporting

- 57 On completion of the evidence gathering and formulation of the recommendations a report will be drafted for submission to Cabinet and the County Durham Economic Partnership.

Timescale

- 58 The review will commence in November, 2017 with the aim of reporting to Cabinet in October 2018.

Recommendation

- 59 Members of the Economy and Enterprise Overview and Scrutiny Committee are recommended to:

Agree the terms of reference as set out in paragraphs 48-58 and the project plan attached as Appendix 2.

Background papers

Retail Futures – 2018 – Report from the Centre for Retail Research

Support to SMEs – Overview and Scrutiny report March 2016

DCC website - retail support

Contact: Stephen Gwilym, Principal Overview and Scrutiny Officer

Tel: 03000 268 140

Author: Diane Close, Overview and Scrutiny Officer

Tel: 03000 268 141

Appendix 1: Implications

Finance – N/A

Staffing – N/A

Risk – N/A

Equality and Diversity / Public Sector Equality Duty – N/A

Accommodation – N/A

Crime and Disorder – N/A

Human Rights – N/A

Consultation – N/A

Procurement – N/A

Disability Issues – N/A

Legal Implications – N/A

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Corresponden ce/ Briefing Paper/ Research	OUTCOMES	WHY
29 November 2017 9.30am Committee Room 1 (A)	Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close	Chris Myers/Wendy Benson (Regeneration & Economic Development Team) (ReaL) James Cook (Spatial Planning Team) (ReaL)		Detail of DCC's responsibilities for regeneration, economic development and planning with a specific focus on the retail sector providing information on the requirements of the National Planning Policy Framework (NPPF) and proposals in both the County Durham Plan and the Masterplan process for this sector.	Meeting (presentation)	Members will receive information on DCC's current responsibilities for regeneration, economic development and planning in relation to the retail sector including detail of the requirements of the NPPF and proposals in both the CDP and the various Masterplans for County Durham.	Members will be aware of DCC's regeneration, economic development and planning responsibilities in relation to the retail sector in County Durham.
25 January 2017 9.30am Committee Room 1 (A)	Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close	Chris Myers/Wendy Benson (Regeneration & Economic Development Team) James Cook Bryn Morris-Hale (Spatial Planning Team) (ReaL)		Consider detail of the retail sector nationally, regionally and locally and identify any retail challenges for County Durham.	Meeting (presentation)	Members will receive detail of the retail sector nationally, regionally and locally including any specific retail challenges for County Durham.	Members will have an understanding of the retail sector at a national, regional and local level including any specific retail challenges for county Durham.

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Corresponden ce/ Briefing Paper/ Research	OUTCOMES	WHY
28 February 2018 9.30am Committee Room 1 (B)	Cllr Batey/Cllr Clarke/ Stephen Gwilym/ Diane Close	Graham Wood/Chris Myers/Wendy Benson – financial (grants) and business support/ work of the Community Economic Development Team (ReaL) Julie West – Durham Employment and Skills (ReaL) Employability Team – CDAP (ReaL) Dave Lewin – car parking initiatives (ReaL) John Naylor – Discretionary Rate Relief Scheme (Resources) Debbie Butters – 'Better Business for all' (Adult and Health Services)		Detail of the financial, training and business support provided by DCC to the retail sector and the role of DCC in marketing and promoting the support currently available.	Meeting (presentation)	Members will consider detail of the retail support currently provided by DCC and how DCC markets and promotes the retail support currently available.	Members will be aware of the type of retail support currently provided by DCC and how DCC markets and promotes the current support available to the retail sector.

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Corresponden ce/ Briefing Paper/ Research	OUTCOMES	WHY
12 March 2018 9.30am 23 March 9.30am	Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close	Graham Wood/Chris Myers/Wendy Benson (Regeneration & Economic Development Team) (ReaL)	Representatives from the retail sector including: Gills Fry (Seaham) Gursh Khalon (Seaham) Mark Gilroy (Seaham) Maddisons (Consett) Sylvester Property (Stanley) Cestrian Estates (Chester-le-street) Retailers to be confirmed (Barnard Castle) Additonal retailers to be identified by AAPs –TBC (further retailers in C-L-S, Stanley and Consett areas).	Members will visit retailers in the county to receive comments on the retail support provided and any issues they have with current provision.	Visit	Members will receive comments from retailers in the county on retail support provided including the support provided by DCC and any issues with current provision.	Members will be aware of the views of retailers on retail support provision in the county and any issues local retailers have with the current provision.

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Corresponden ce/ Briefing Paper/ Research	OUTCOMES	WHY
<p>6 April 2018</p> <p>9.30am Committee Room 1 (A)</p>	<p>Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close</p>	<p>Chris Myers/Wendy Benson</p> <p>(Regeneration & Economic Development Team)</p> <p>(ReaL)</p>	<p>AAP - representatives</p> <p>Enterprise Agencies</p> <p>FSB</p> <p>North East Chamber of Commerce</p>	<p>Detail of the support currently provided by key partners, how they work in partnership to develop, promote and deliver retail support including various projects/initiatives.</p>	<p>Meeting (presentation)</p>	<p>Members will consider detail of the retail support currently provided by key partners including detail of various projects/initiatives.</p>	<p>Members will have an understanding of the retail support provided by key partners.</p>

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Correspondence/ Briefing Paper/ Research	OUTCOMES	WHY
26 April 2018 9.30am Committee Room 1 (A)	Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close	Chris Myers/Wendy Benson (Regeneration & Economic Development Team) (ReaL) James Cook Spatial Planning Team (ReaL)	Commercial Letting Agents including: Bradley Hall Sanderson Weatherall CBRE Ltd. North East Commercial Agents RICS Commercial	Meeting with various Commercial Letting Agents to discuss the current retail offer in the county and the marketing process.	Meeting (presentation)	Members will have considered the process for marketing empty retail premises/units in the county and the information provided by DCC to agents on the retail offer in the county providing an opportunity to identify any current issues/challenges.	Members will have an understanding of the process used to market empty retail premises/units in the county, the information provided to agents by DCC on the retail offer and any current issues/challenges.

WHEN Times/Dates/ Locations	DESIGNATED LEAD Member/ Officer	WHO Key Witness	Engagement External witnesses/ Stakeholders/ Members of the Public	WHAT Evidence/Information	HOW Meeting/Visit/ Correspondence/ Briefing Paper/ Research	OUTCOMES	WHY
TBC	Cllr Batey/Cllr Clarke/ Stephen Gwilym/Diane Close	Diane Close/Stephen Gwilym		Receive a summary of the key findings from the review and possible recommendations	Meeting (presentation)	Members will be provided with the opportunity to comment on the summary of key findings and draft recommendations of the review.	Members will have formulated the key findings and recommendations for inclusion in the review report for future consideration by the E&E OSC and Cabinet.

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