

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2 - County Hall, Durham** on **Friday 7 December 2018** at **9.30 am**

Present:

Councillor A Batey (Chairman)

Members of the Committee:

Councillors E Adam, M Clarke, S Dunn, P Howell, S Iveson, P Jopling, J Maitland, R Manchester, A Patterson, E Scott and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors J Carr, C Martin and O Milburn

1 Apologies for Absence

Apologies for absence were received from Councillors J Atkinson, T Henderson, R Ormerod, J Clark and D Hicks from the Environment and Sustainable Communities Overview and Scrutiny Committee.

2 Substitute Members

No notification of Substitute Members had been received.

3 Declarations of Interest

Councillors A Patterson and P Jopling declared an interest in Item 6 as business owners.

4 Items from Co-opted Members or Interested Parties

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

5 Transport Policy and Activity - Overview

The Chairman introduced the Head of Transport and Contract Services, Adrian White and the Traffic Management Section Manager, Dave Lewin who were in attendance to provide the Committee with an overview of Transport Policy and activity (for copy see file of minutes).

The Head of Transport and Contract Services explained that transport was a huge topic and that nationally the emphasis for transport was in delivering growth, with the key document being the UK Industrial Strategy in terms of the remit of the Committee. It was added that connectivity was very important for the economy, with issues being how to deliver using information technology and artificial intelligence, and with clean growth. Members noted at a national level there were important schemes in terms of a third runway for Heathrow in London, and High Speed Rail II, noting the capacity issues, as previously mentioned at Committee, on the East Coast Mainline. The Head of Transport and Contract Services added that the Chancellor had announced a new scheme within the Budget in relation to easing congestion on local roads, however it was not yet clear which roads may be able to benefit from this scheme.

In terms of sub-national policies, it was explained that Transport for the North (TfN) had produced a Strategic Transport Plan, with transport to drive economic growth in the North. Members were reminded of the Northern Powerhouse, with an aim to boost Gross Value Added (GVA) and jobs. It was noted that the aim was to boost advanced manufacturing, digital and health care amongst others. The Head of Transport and Contract Services reiterated the point made at previous meetings of the Committee that in looking to improve rail travel times the case must be made to not remove Durham as a stop when looking to improve Newcastle to Leeds travel times. Members were reminded of the context of the devolution agenda, with separate North and South of Tyne Combined Authorities, with a Joint Transport Committee, with a North East Transport Plan being developed to replace the Durham Local Transport Plan. Councillors noted that connectivity was seen as an enabler of more and better jobs, with the Local Enterprise Partnership (NELEP) having the role in terms of funding, namely the Local Growth Fund (LGF). The Committee noted that the NELEP would also have the future responsibility in terms of delivering the Local Industrial Strategy (LIS), which would determine what projects received funding from the proposed UK Shared Prosperity Fund (UKSPF) that would replace EU funding post-Brexit.

The Head of Transport and Contract Services referred Members to the governance arrangements in place for the Joint Transport Committee, with the delegations back out to Local Authorities in terms of responsibility for public transport and concessionary fares. Councillors were reminded that local transport policy would be within the County Durham Plan (CDP), with there being objectives linked to economic ambition, providing the right infrastructure and safe and sustainable transport. It was added that issues and schemes included: Durham City Sustainable Transport Policy; Horden Rail Station, Sherburn Road Link Road; and safeguarding routes for the Leamside Line, Bowburn Relief Road and "Corridor of Interest" for Barnard Castle Relief Road.

Councillors were informed of key funding streams which included the previously mentioned LGF and the UKSPF. It was added additional funding included: the New Stations Fund, with £3.5 million for the Horden Rail Station; Housing Infrastructure Fund; Transforming Cities Fund; National Roads Fund; the Local Transport Plan, the Integrated Block and Highways Maintenance Block.

The Head of Transport and Contract Services noted that in terms of delivering infrastructure there were a number of schemes including: the A19/A179 at Sheraton; Junction 62 of the A1(M) at Forrest Park; Junction 61, Integra 61, A1(M)/A688; Horden Rail Station; Jade Enterprise Zone; Sherburn Retail Link; Newton Aycliffe housing growth; and Local Walking and Cycling Infrastructure Plans.

The Traffic Management Section Manager reminded Members that Local Transport Plan 3 (LTP3) was the policy in terms of sustainable travel, economic/transport corridors, the “whole-town” approach, revenue support and maintaining the transport asset. Members noted several delivery areas including bus infrastructure, casualty reduction and electric vehicle charging infrastructure amongst many others. The Committee noted the success of the introduction of contactless payment for Pay and Display parking meters, with 32% of all payments being made this way. Other successes included new technology to improve road safety, cycle ways, bus infrastructure and driver and public transport information signage.

The Traffic Management Section Manager noted challenges included issues such as bus accessibility across the county, and electric vehicle charging. Members noted the Government’s “Road to Zero” strategy, with parking and accessibility standards for new development revised alongside the CDP. It was added that the issue had been a huge topic of discussion at a recent British Parking Association meeting in London, with elements including capacity issues in terms of the grid and the pace of change of technology.

The Chairman thanked the Officers and asked Members of the Committee for their comments and questions.

Councillor P Jopling noted that there was a desire to see businesses flourish in the North East, and the expansion of large site was one way to enable this. She added that she felt there was an issue in terms of accessing these large sites, with there being congestion, and asked if there was any links to our smaller sites. The Head of Transport and Contract Services noted that it was not that employment sites were being developed where there was areas of congestion, and where area of congestion were identified we would look to try and tackle it. He added that some of our smaller employment and retails sites did not have issues with congestion, therefore resources would be targeted accordingly. Councillor P Jopling noted that she felt that we should push these smaller sites in terms of jobs, noting issues with congestion for example in travelling from Crook to Newton Aycliffe. The Head of Transport and Contract Services noted that in terms of the smaller sites, colleagues from Business Durham would work to look at what could be achieved, balancing against the needs and demands for both smaller and larger sites.

Councillor J Maitland referred to the Jade Business Park at Murton, with only one road in and out of the site and asked if this would be an issue, and could there be a link to the A690 in the future.

The Head of Transport and Contract Services noted there were no plans currently, however, capacity had been added at the junction referred to in terms of that development, Dalton Park and the Garden Village at Seaham, with the issue to be revisited in future if required.

Mrs R Morris noted she did not envy the task of Officers, with there being many layers of Government and policies to navigate. She noted that she could not see how we had arrived at the current strategies, how schemes would get on to the lists of priorities, and how the Council prioritised sites and schemes. The Head of Transport and Contract Services noted that there was work that was undertaken in terms of traffic flows and data, with counting equipment on most roads. He noted that closer to the main arterial routes of the A19 and A1(M) there was more congestion and that in terms of local schemes it was difficult to get Department for Transport (DfT) funding, those schemes relying upon LTP3 which was £2.7 million with a great number of issues to be addressed. He added that if roads such as the A692, A693 and A694 were included in the new Major Roads Network funding this could be helpful. Mrs R Morris asked if there was evidence that had been put forward to produce the lists for the new funding scheme and if the detail on the criteria used to determine priorities could be shared with the committee. The Chairman noted issues in terms of congestion at the new roundabout on the A693.

Councillor A Patterson noted the information in terms of regional governance arrangements and asked as regards the assets portfolio and implications for County Durham. The Head of Transport and Contract Services reminded Members that regionally the Metro and Tyne Tunnel were not a liability for Durham, with the responsibility sitting with NECA, the NECA constitution protecting Durham in this regard. He added that this issue was being looked at, however, the position should not change in terms of this protection for Durham. Members noted that issues were more in relation to when Government looks at how schemes were funded, with the devolved authorities being able to access funding streams and match funding.

Councillor C Martin noted he did not believe TfN was a good deal for County Durham, looking more to connecting cities such as Leeds and Newcastle. He added that he would like to see at least one train per hour at Chester-le-Street station, and asked if the Council made such points and objections at the various regional meetings. The Head of Transport and Contract Services noted the Council did object where appropriate, with issues that were raised including capacity on the East Coast Mainline. He explained that there were possible options in terms of removing freight, running more trains and links to the Leamside line in terms of freight could be in Durham's favour. Councillor C Martin noted his concern was the need to demolish houses in order for the Leamside line to be used, and that the "quick win" of trains not stopping at Durham in order to reduce the Leeds to Newcastle travel time may be an option that is put forward. The Head of Transport and Contract Services noted the Leeds to Newcastle travel time as a high level output from TfN, with Durham having strongly objected in terms of any plans to not stop at Durham, in the context of 2.6 million journeys from Durham being important to our economy. He added there was transport agglomeration benefits from such schemes, Councillor C Martin noted this was only a "trickle-down effect".

Councillor P Howell noted we were awaiting the list of which roads were listed in terms of the new Major Road Network fund and asked should we not be submitting out preferences to Government in terms of this.

He also asked as regards: what representation we had in respect of our local airports at Newcastle and Durham Tees Valley; the rail station at Darlington, with the Durham Tees Valley Mayor noting changes at the station that would affect Newton Aycliffe and Bishop Auckland; and information in terms of which areas of the county were not served by buses, and whether there was any issues of need and demand not matching provision. The Head of Transport and Contract Services noted that the Council did respond to the Government's consultation in respect of the Major Road Networks fund, pointing out many anomalies such as half of a road being included and several "stub ends". It was added that responses had been via several means, the Council itself, NECA and TfN, however each had a particular view.

The Head of Transport and Contract Services noted that in relation to our local airports, the issue in the past had been Durham Tees Valley losing its flights to London, linking back to capacity issues at London Heathrow. Members were reminded of representation via the Portfolio Holder for Economic Regeneration, Councillor C Marshall. In respect of the points raised in terms of Darlington Rail Station, the Head of Transport and Contract Services noted he had been involved on behalf of the Council noting there would be a split in terms of the station to the West for travel to Bishop Auckland and the new station to the East for the Tees Valley. He reiterated the capacity issues in relation to the East Coast Mainline and the arguments the Council put forward in terms of retaining stops in our area. The Head of Transport and Contract Services explained that in terms of the bus network, £2.7 million was used to support out bus network, with a lot of this being used to extend commercial services beyond hours of profitability and to fill gaps in service provision, for example the Link2 scheme.

Mr G Binney noted he was very interested in the longer term aims, for example in relation to zero emission vehicles. He asked if the responsibility in terms of charging points sat with local authorities noting that County Durham had the most charging points per person in the country. He also asked as regards technology such as: hydrogen vehicles, including trains; smart or self-drive vehicles; and quick charging for vehicles such as taxis. Mr G Binney noted he felt there was an opportunity for County Durham to tap into the innovation and advanced technology in terms of jobs. The Traffic Management Section Manager noted companies such as Fastned, "fuel stations" and the technology that was changing all the time. He noted Government looking at use of lampposts in terms of locating charging points, however, it was noted this could lead to issues in terms of grid capacity and the number of points/lampposts not being sufficient for the number of households and vehicles. The Traffic Management Section Manager noted Government funding in terms of charging equipment in car parks, and discussions at the British Parking Association in terms of whether this was the right approach, with technology being such that charge to 80% of capacity could soon be as little as five minutes. Members noted that it was felt that the private sector would focus on the main routes and that local authorities would pick up gaps in more rural areas. The Traffic Management Section Manager noted technology applicable to the Council's electric vehicles such as vehicle-to-grid where electric vehicles communicate with the power grid to sell demand response services by either returning electricity to the grid or by throttling their charging rate. The Head of Transport and Contract Services noted that Northern Rail were very interested in hydrogen trains.

Councillor J Clare commented that a group of Officers are looking at the issues relating to the Council, and the removal of electric vehicles subsidies had seemed to reduce the urgency in terms of infrastructure. He added that work in industry relating to private vehicle fleets would have an impact in terms of pollution.

The Chairman noted that in our area many of the old mining villages had a number of terraced streets, and the issues in terms of charging points as raised by the Traffic Management Section Manager would come into play. She added that planning policy would also be important in this regard. The Traffic Management Section Manager noted that Spatial Policy led the Officer group.

Councillor S Dunn noted the investment being made at Integra 61 was very good, however there needed to be material improvements in certain places, for example at Thinford and at Hett. He also noted that bus services in some areas were very good, however, not in all areas, with bus companies having noted that impacts in terms of traffic delays then had knock on effects on small communities. Councillor S Dunn noted that bus timetable information was very important in being able to plan journeys as were trying to provide integrated tickets across providers. Councillor S Dunn noted that the cost for young people was prohibitive and commented a £1 day ticket being available in the Tyne and Wear area. The Head of Transport and Contract Services noted he would look at the issue of electronic displays not having real time information. He added that there was work in terms of integrated tickets with bus companies, noting this worked in London, though this was through Transport for London. The Head of Transport and Contract Services agreed in terms of the cost of tickets for young people, noting that the fares in Tyne and Wear were heavily subsidised and benefited from economies of scale and relatively short journeys. He added that this was an issue that the Council campaigned nationally not just in terms of schoolchildren, but young people in respect of being able to access job opportunities. Members noted that in reference to congestion and traffic effecting travel times, the Head of Transport and Contract Services explained that there were bi-monthly meetings with Arriva, with the Council helping to analyse the data collected by their vehicles. Councillor S Dunn noted that the trackers fitted to the buses need to “talk” to the bus stops to ensure the details listed on electronic signage reflected actual times rather than the scheduled timetable. The Head of Transport and Contract Services noted the recent Bus Services Act 2017 set out that companies should share data.

Councillor E Adam asked in terms of the Major Roads Network funding, noting his fear that, as with many “new” funding schemes, the money would simply be “top sliced” from other funding streams. He added that he felt the way to tackle congestion was through good public transport and asked how much funding was allocated in terms of the Walking and Cycling Infrastructure Plans as this would have additional positive impacts in terms of the environment and health. The Traffic Management Section Manager noted that in previous years there had been around £500,000 per year for the cycling and walking infrastructure through LTP3 and similar amounts in the future were likely. He added that there had been around £100,000 investment in terms of accessibility and bus shelters. The Head of Transport and Contract Services noted he was an avid cyclist, however, he was aware that County Durham was a large rural county and therefore there was a need for a mix of transport types. He noted that there was a requirement for a Walking and Cycling Plan to be able to access funding for appropriate journeys, approximately 5 miles.

Councillor E Adam noted that the use of cycles should be encouraged, linking to bus and train journeys, and if it could be achieved in London then he did not see why it could not work elsewhere.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee as part of the refresh of the committee's work programme for 2019/20 receives a further progress report on transport policy and activity.

6 Scrutiny Review - Support Provided to the Retail Sector by Durham County Council

The Chairman asked the Overview and Scrutiny Officer, Diane Close to speak to Members in relation to the draft report and recommendations in relation to the Support Provided to the Retail Sector by Durham County Council (for copy see file of minutes).

The Overview and Scrutiny Officer reminded Members of the background to the review, with the topic being identified in 2017, with the review beginning in December 2017. It was explained there had been 11 meetings and a number of site visits, with the evidence base set out within the draft report.

The Committee were informed of the work in terms of the key findings of the report and draft recommendations as set out within the presentation document. Members noted the 11 recommendations relating to: the County Durham Town Centre Survey; the County Durham Plan; IT connectivity; masterplans; business support; targeted business support; training opportunities; business rate relief; traffic and parking management; and Area Action Partnerships.

The Chairman thanked the Officers involved from Overview and Scrutiny and the relevant services, as well as partners and the Members of the working group itself. She asked the Committee for their comments and questions.

Councillor J Clare noted that he had been the Members to ask as regards this topic to be the subject of a review by the Committee. He noted he was delighted with the report, identifying the large number of activities undertaken by the Council and partners. He added that beyond this cataloguing there was a number of practical and achievable recommendations set out, and he noted that the report chimed well with the "Town and Village Centres – Way Forward" report that was due to be considered by Cabinet next week. Councillor J Clare noted that it was also clear that there was work to be done by entrepreneurs and retailers in terms of training of staff and the visitor economy. He also extended his thanks to Officers, Members and the Chairman for all their hard work and asked that his thanks was also recorded.

Councillor E Scott echoed the comments of Councillor J Clare in thanks to the Chairman for her efforts in relation to the review and noted that the Town Centre Survey data was incredibly detailed and suggested that it be shared with Members for their information.

The Chairman thanked Members for their kind comments and noted that the review had shown that there were a variety of issues and that there was not a “one size fits all” approach that could be taken.

Councillor E Adam noted the large amount of work that the Council was doing in terms of the retail, however, he did not see the linked issue of transport mentioned specifically within the report. The Chairman noted that issues in terms of rural areas was linked in with those areas’ Masterplans, and some issues such as “bay blocking” of car parking where areas were in a commuter area or close to employment centres had been identified. She added that to look at transport in depth would have warranted a separate piece of work. Councillor E Adam noted the approach taken by the authority to Christmas parking schemes with the issues previously mentioned in terms of free parking.

Councillor P Jopling noted when looking at the effects of out of town developments, they appeared to increase congestion and asked if the excellent schemes in terms of business rate relief had been captured within the report and what had been discussed in terms of being able to influence rent levels. The Chairman noted there had been Officers from the Council’s rates section in attendance to provide information. She added that Letting Agents had attended a meeting and had explained the difficulties faced in terms of lettings, for example first floor spaces above shop units. The Chairman hoped that individual Masterplans could look to their area as regards the most appropriate actions to take and to tease out the relevant issues specific to each town centre.

Councillor P Howell noted the work undertaken and that on many occasions there had been conflicting evidence, demonstrating indeed that “one sized did not fit all”. He added that in some cases it was not necessarily for the Council to lead, rather to “get out of the way” and allow landlords and retailers to take up whatever initiatives they wished to. He noted the recommendations within the report, and suggested that attaching timescales would be helpful in ensuring delivery against the issues. The Chairman noted that it would be for each town centre to feed issues into their Masterplans. Councillor P Howell noted he endorsed the point made by Councillor E Scott in terms of circulating the link to the Town Centre Survey data. The Chairman noted the data was very detailed and useful and that Officers would share the link.

Mrs R Morris reinforced that the report was excellent and that she felt that a proactive approach was key and that regular reports back to the Committee on progress relating to the recommendations would be important.

Councillor A Patterson noted that broadband provision was a cross-cutting issues and that an update is to come back to committee in February in relation to the Digital Durham Programme.

Resolved:

- (i) That the report of the Scrutiny Review Group looking at the Support Provided to the Retail Sector by Durham County Council be approved.
- (ii) That the report of the Review Group be submitted to Cabinet for consideration at its meeting on 16 January 2019 and to a future meeting of the County Durham Economic Partnership.