

## **DURHAM COUNTY COUNCIL**

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

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **County Hall, Durham** on **Tuesday 24 September 2019** at **9.30 am**

#### **Present:**

**Councillor M Clarke (Chair)**

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

Councillors E Adam, A Batey, R Crute, S Dunn, T Henderson, J Higgins, P Howell, S Iveson, L Maddison, R Manchester, R Ormerod, E Scott, T Tucker and M Wilson

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

Mr G Binney and Mrs R Morris

#### **Also Present:**

Councillors J Clare and M Davinson

### **1 Apologies for Absence**

Apologies for absence were received from Councillors J Atkinson, D Hall, P Sexton and B Avery, a Member of the Environment and Sustainable Communities Overview and Scrutiny Committee.

### **2 Substitute Members**

No notification of Substitute Members had been received.

### **3 Minutes**

The minutes of the meeting held 27 June 2019 were agreed as a correct record and signed by the Chair.

### **4 Declarations of Interest**

Councillor P Howell declared an interest in Item 8 – Selective Licensing, as a private landlord.

## **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 a two-week festival celebrating Bishop Auckland's rich and varied history, Friday 13 September to Saturday 28 September 2019. She added that Forrest Park (Newton Aycliffe) Limited securing outline planning permission to develop a 55-hectare site for commercial and manufacturing use, 1.75 million square feet of business, industrial, ware house and trade units, a 60-bed hotel, public house and roadside restaurant and retail units next to the A1(M). It was added that the Committee would receive an overview of strategic employment sites within the County at its meeting in January 2020 and Members would visit Forrest Park and other strategic sites in the county in May 2020.

The Overview and Scrutiny Officer explained there had been an article referring to new stores opening in Durham City, namely TG Hughes, Odeon and Lidl. She explained there was also mention of the new cinema, bowling alley, gin bar and various restaurants as well as M&Co moving into the former Marks and Spencer unit. The Overview and Scrutiny Officer concluded by noting an article highlighting construction was underway on an office development set to support more than 400 jobs in Durham City, 'One Milburngate' offering Grade A offices within the city, set to be completed in 2021.

### **Resolved:**

That the presentation be noted.

## **7 North East Local Industrial Strategy - Progress Update**

The Chair welcomed the Regeneration Policy Team Leader, Glenn Martin who was in attendance to provide the Committee with an update in relation to the North East Local Industrial Strategy (NE LIS) (for copy see file of minutes).

The Regeneration Policy Team Leader thanked the Chair and Committee for the opportunity to once again speak in relation the NE LIS. He reminded Members that the NE LIS sat in between the National Industrial Strategy (NIS) and the North East Strategic Economic Plan (NE SEP) and noted that the strategic plan for the Northern Powerhouse was another element to be aware of.

Members noted the process in terms of the NE LIS, with LIS approvals from Government due in Autumn, drafts having been submitted. The Regeneration Policy Team Leader explained that nine “proposition summary packs’ had been circulated by the North East Combined Authority (NECA) with: five based upon the NIS ‘foundations’, namely ideas, people, places, infrastructure and business environment; and four based upon the NE SEP ‘areas of strategic importance’, namely manufacturing, digital, energy and health. He added these were due to be agreed and signed-off by the end of September.

The Regeneration Policy Team Leader reminded Members of the engagement that had taken place via the North East Local Enterprise Partnership (NELEP), with the Leader, Councillor S Henig on the NELEP Board. He added that there was representation on the NECA, the Vice-Chair of the County Durham Economic Partnership (CDEP) sat on the NE LIS Evidence Forum and a NE LIS Summit had been held.

The Committee were reminded of the purpose of the LIS as set out by the former Secretary of State for Housing, Communities and Local Government, James Brokenshire, linking to the UK Shared Prosperity Fund (UKSPF) the replacement for EU Structural Funding. The Regeneration Policy Team Leader explained that Local Authorities were still awaiting official consultation on the UKSPF, originally due Autumn 2018, with some thought that it may now be next year, within Government’s longer-term spending plans. Members were informed of recent consultation via various Government Select Committees, with feedback being given in terms of asking for clarity, and a recent Commons Briefing Paper noting levels of funding should be maintained at its current level and allocated on need.

The Regeneration Policy Team Leader explained that issues included: an unclear position of the new Prime Minister and Chancellor on regional growth and funding; the ongoing Brexit uncertainty including replacement of EU funding, merging of funds and competitive bidding; and the investment in Combined Authorities.

*L Maddison entered the meeting at 9.40am*

The Committee were reminded of all those involved in terms of influencing, both through engagement and lobbying, including: civil servants; Industrial Communities Alliance; County Council’s Network; Chief Economic Development Officer’s Society; and other think tanks.

The Chair thanked the Regeneration Policy Team Leader and noted the Brexit date of 31 October rapidly approaching and asked as regards what would be in place after this date, would the SPF come into effect immediately. The Regeneration Policy Team Leader noted that the EU Structural Fund ran until 2020, with some elements beyond that date, and all indications were for the SPF to follow as soon as possible after that, adding that any SPF consultation would be welcomed by the Authority.

Mrs R Morris asked as regards the four areas touched upon and noted she felt it would be useful to have publicity of the county, giving companies and businesses insight in advance as to what we have to offer, allowing us to compete. The Regeneration Policy Team Leader noted that there had been a number of documents considered at a recent NELEP summit relating to the NE LIS and he would look to see if they were in the public domain. However, these documents were inward looking, and he felt the question was more focussed on being outward looking. Mrs R Morris noted that was correct, adding she felt that County Durham had a number of leading-edge companies and there was a good opportunity to promote and build upon what we had.

**Resolved:**

That the report and presentation be noted.

The Chair noted the Selective Licensing presentation would be taken as the next item for consideration.

## **8 Selective Licensing - Progress Update**

The Chair welcomed the Strategic Manager for Housing, Lynn Hall and the Project Coordinator, Joanne Thompson who were in attendance to provide the Committee with an update in relation to Selective Licensing (for copy see file of minutes).

The Strategic Manager for Housing thanked the Chair and Committee for the opportunity to once again speak in relation to Selective Licensing and noted that the associated Cabinet report had slipped back to November 2019. She reminded Members of the definition of Selective Licensing: "Selective Licensing is where the whole or part(s) of a county/borough are subject to a designation under the Housing Act 2004. The designation makes it compulsory for all private rented accommodation in that area to get a Licence from the Local Authority".

It was explained that in October 2018 Cabinet had agreed to authorised consultation on proposals to introduce Selective Licensing across the county, and for a business case for Selective Licensing across the County to be prepared. The Strategic Manager for Housing reminded Members of the criteria for designating a Selective Licensing area, an area having to suffer from one or more of: low housing demand; anti-social behaviour; poor property conditions; high levels of migration; a high level of deprivation; and high levels of crime. It was added that, other than migration, there was a lot of data linked to the other criteria and therefore the focus would be on those five. She noted that should a designation cover more than 20 percent of its geographical area or more than 20 percent of the private rented stock, an application to the Secretary of State was required.

The Strategic Manager for Housing noted that a great deal of work had been undertaken in terms of gathering data from teams within the Council, as well as from partners such as Durham Constabulary and the County Durham and Darlington Fire and Rescue Service. She explained that in looking at tenure information, around half of the data had been obtained, with that data highlighting 23 percent of housing stock being private rented. It was noted additional work had been undertaken in terms of the fees that would apply and also consultation on what licencing conditions would be included. The Strategic Manager for Housing noted those three elements would be consulted upon following Cabinet in November.

The Committee were informed that other interim work had included: a focus group of landlords; landlord data collection; landlord accreditation; tenant training; and tenant support. Members were referred to a map highlighting possible designation areas with the Strategic Manager for Housing noting data so far broken down by middle layer super output area (MSOA).

The Strategic Manager for Housing explained that the next steps were for: a report to Cabinet in November; consultation to follow from December 2019 through to February 2020, looking at the three elements as previously mentioned; submission to the Secretary of State; and then implementation to follow. She added that other Local Authorities that had submitted to the Secretary of State had a response in around 12 weeks from submission.

The Strategic Manager for Housing concluded by noting she was working with the relevant Portfolio Holders, a potential snap general election had the potential to delay the process, and the Committee would be consulted as part of the process.

The Chair noted that a special meeting of the Committee was scheduled for 25 November 2019 for a further update. He thanked the Strategic Manager for Housing and asked Members of the Committee for their comments and questions.

Councillor P Howell noted for the minutes he was a private sector landlord. He asked as regards what the mix of landlords was in terms of those being consulted with, the Focus Group mentioned, were they landlords with one or two properties or several hundred. He also asked as regards the licensing approach and fees, reiterating his experiences previously explained at Committee, and also asked if the colours on the maps shown referred to priority areas or otherwise. The Strategic Manager for Housing noted the colouration on the map was simply for clarity, not a reference to priority. The Project Coordinator explained that in terms of landlords, the Landlords' Forum was approached and from 20-30 landlords, nine volunteered to sit on the Focus Group with those having a range in terms of portfolio size, a number of agents for larger landlords as well as those with only a handful of properties. The Strategic Manager for Housing noted in terms of fees the level had not yet been determined and reminded the Committee that the fee would only be used to fund the administration of the Selective Licensing scheme.

Councillor E Adam asked as regards fees, with reference to the free landlord accreditation as set out in the interim work. The Strategic Manager for Housing noted the accreditation would be free for one year for those in the three former selective licensing areas: Dean Bank, Ferryhill; Chilton West; and Wembley, Easington Colliery. Councillor E Adam asked how comprehensive the data was and noted that it appeared there was some areas within Aycliffe West that appeared to have been omitted from the list. The Strategic Manager for Housing explained that the data was by MSOA and not Electoral Division and therefore there could be some overlap in terms of areas. The Project Manager noted she could look at the specific issue and report back with further information.

Councillor S Dunn asked as regards the white areas on the map that were not included at this stage and whether this would preclude them from being included at a later date. The Strategic Manager for Housing noted that if the relevant data was received at a later date and this evidenced one or more of the criteria mentioned then they could be included, however, that would involve going back to the Secretary of State. Councillor S Dunn expressed his concern that there would not be 100 percent coverage of the County, however, noted it was good that it did not preclude additions should additional information come to light.

Councillor M Davinson asked how long the designation would last for before data would need to be refreshed and updated. The Strategic Manager for Housing noted the designation lasted for five years and that the data collection was ongoing, adding that around year three or four the business case would be looked at in preparation for resubmission.

Councillor R Crute noted the date for consultation being 19 December and asked what communications had been made in terms of the consultation so that Members could alert people via their ward surgeries or via Area Action Partnerships (AAPs) meetings. The Project Manager explained a communications plan had been produced and would be finalised shortly. She added this included AAPs, Town and Parish Councils and the Landlords' Forum. Councillor R Crute asked if the Committee would have sight of the engagement plan at their special meeting in November as Members may be able to provide useful feedback in terms of potential gaps. The Strategic Manager for Housing noted it could be circulated as soon as it had been signed off.

**Resolved:**

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee continue to receive progress updates in the development of the Selective Licensing Scheme.

- (iii) That the Economy and Enterprise Overview and Scrutiny Committee, as agreed in its Work Programme 2019/20 holds a Special Meeting providing an opportunity for all Overview and Scrutiny Members to comment on the proposed scheme.

## **9 Ultra-Low Emission Vehicles - Overview and Progress**

The Chair welcomed the Principal Policy Officer, Peter Ollivere, Policy Officer, Rebecca Winlo and the Sustainability and Climate Change Team Leader, Maggie Bosanquet who were in attendance to speak to the Committee in relation to Ultra-Low Emission Vehicles (for copy see file of minutes).

The Principal Policy Officer thanked the Chair and noted Ultra-Low Emission Vehicles (ULEVs) included hydrogen fuel vehicle, however, in the main the term mostly referred to regular electric vehicles. He referred Members to figures highlighting the successes in terms of household CO<sub>2</sub> reduction in the UK and the Council, showing a 44 percent reduction nationally between 1990 and 2017, with Durham County Council (DCC) having achieved a greater reduction of 52 percent in that period. It was explained that one of the elements of household CO<sub>2</sub> emissions that had not changed greatly was transport emissions and it was added that ULEVs could help in this regard.

The Committee noted policy headlines that included Road to Zero, Government aiming for 50-70 percent of all car sales to be ULEVs and the end of 'conventional petrol and diesel' vehicle sales by 2040. It was added that there were questions in terms of Government's target, noting that Norway had targets of 100 percent zero emission cars for 2025 and with 50 percent of car sales to date in 2019 being ULEVs. Members were reminded that the Council had declared a climate emergency, with several other Local Authorities in the region doing so namely Gateshead, Newcastle, Northumberland and Sunderland. The Committee were reminded that the Low Carbon Strategy (LCS) predicted exponential growth in ULEVs, with Members referred to maps of the region showing the increase from 2014 through to 2018, noting currently only around 2,500 electric vehicles in the region. Members noted projections for exponential growth in electric vehicles, with upper and lower limits of 219,000 and 86,000 by 2030.

The Principal Policy Officer explained that a Council Internal Working Group looking at ULEVs had been established in 2019, with representation from various Council Teams including: Spatial Policy; Transport; Low Carbon; Corporate Property and Land; Legal; Procurement; Funding and Programmes; and Fleet. It was added there was regional workstreams links to NECA projects, an example being funding in relation to electric vehicle taxi charging, with details of workstreams being set out within the report.

The Principal Policy Officer referred Members to a slide detailing ULEV Policy for DCC, split by areas: equity and equality; infrastructure; funding; information; education; public transport; and fleet. Members were given information as regards the aims and projects within each area, noting in terms of equality and ensuring access for everyone within the County to EV charge points, the Scaling on Street Charging Infrastructure (SOSCI) project had secured £2 million to deliver approximately 100 charge posts across County Durham, with a pilot scheme to locate the charge posts within a five minute drive of terraced streets. It was added that terraced streets represented 40 percent of properties within the County.

The Principal Policy Officer explained that in terms of infrastructure the aim was to create the right conditions to support people to make the switch to an electric vehicle. He explained that the largest barrier to increasing electric vehicle uptake was a lack of charging points, and projects would include: electric filling stations; where to locate SOSCI; and renewal of existing charging posts. It was noted that in terms of the aim to secure funding to support increased take up of electric vehicles this would include issues relating to: the location for SOSCI; ERDF/Transforming the Cities funding for Park and Ride; and a taxi point at Chester-le-Street.

Members were informed that in terms of the aim to work with Durham University and partners for further knowledge and opportunities, work had been undertaken on driver behaviour. It was explained that research carried out by Durham University had shown that drivers of electric vehicles did not experience range anxiety, however potential drivers of electric vehicles did. Members noted other issues highlighted by the research included quality and accessibility of charging infrastructure and those having set "A to B" journeys being more likely to drive an electric vehicle, with women being less likely to drive an electric vehicle.

The Policy Officer explained that in terms of the Council's fleet and pool cars there was an aim to reduce carbon emission, demonstrate the viability of electric vehicles and save public money in terms of running costs. She added that the associated project would look to replace existing pool and fleet vehicles with electric vehicles when due for renewal and any procurement of new fleet vehicles must demonstrate a business case for not choosing an electric vehicle. The Policy Officer referred the Committee to slides highlighting rapid charging points and the electric vehicle roadshow, featuring the Portfolio Holder, Councillor C Marshall.

The Principal Policy Officer noted that other Local Authorities were in various positions in relation to electric vehicles with Dundee leading the way with 95 vehicles, around 40 percent of their fleet. It was added around 15 percent of their taxis were electric, with their target being 25 percent within a few years. He added Dundee operated a free parking scheme for owners of electric vehicles, had two rapid charging hubs within the city centre, and offered free electricity for residents, albeit on a temporary basis.

The Principal Policy Officer noted work being done by North Somerset Council, highlighting their partnerships with Elmtronics, a company based in Consett, who installed 34 dual electric vehicle charges in North Somerset and a further 22 to other Local Authorities in the West of England Combined Authority as part of a £7 million package "Source West".

The Principal Policy Officer noted a new full-time post had been created to help deliver projects, although there were still challenges and that the help of Members was greatly appreciated.

The Chair thanked the Officers and asked the Committee for their comments and questions.

Councillor E Adam noted the great deal of work being undertaken, in the context of the climate emergency declared by the Council. He asked as regards the focus in terms of barriers to the uptake of ULEVs and noted the latest studies showed the problem being the lack of charging systems. He noted issues in terms of: different types of charging systems; the ability to know whether a charging point was being used; the cost of ULEVs; and terraced housing as mentioned within the presentation. The Principal Policy Officer noted in some areas the Council could influence to a small extent, with standardisation being something the industry was moving towards. He added there was little the Council could do in terms of the cost of vehicles, and highlighted in Norway the cost of a ULEV was comparable with a non-electric vehicle. The Policy Officer reiterated as regards the 100 charging points being worked towards and added that there was legislation aimed at standardising charge points. She explained there were government grants available in terms of electric vehicles and that estimates in terms of the reduction in the cost of batteries and increased efficiency suggested costs would decrease. She added that the Council would look to procure a large strategic partner to deliver a network for County Durham.

The Sustainability and Climate Change Team Leader explained that the Durham University research had gathered a lot of information, noting that not only were electric vehicles expensive there were also waiting times in order to purchase. She added the Electric Vehicle Roadshow event had been very successful and it was hoped a similar event could provide further promotion and Overview and Scrutiny Members would be invited to attend in November. The Principal Policy Officer noted that consultation in terms of parking and access standards, planning applications would look to have larger requirements in terms of the ability to have charge points installed, with a Government White Paper on the issue. Councillor E Adam asked as regards existing housing and how to encourage people to take up electric vehicles and whether work was being undertaken with social housing providers to get them to look at installing charging points. The Principal Policy Officer referred to the SOSCI project and the Sustainability and Climate Change Team Leader added that they would explore the idea of working with social housing providers to investigate the installation of charging points.

Councillor T Tucker asked as regards properties that did have in-curtilage parking and asked if there was grants or incentives available to help meet the cost of installing charge points. The Principal Policy Officer noted there was information as regards grants and scheme he could circulate to Members.

Councillor T Henderson noted issues in terms of charge point locations. He referred to the Barnard Castle area noting that many small Town and Parish Council's did not know where to go to seek advice and explained as regards the lack of provision of charge points, the nearest being at West Auckland, an issue in the largely rural county. The Principal Project Officer noted the SOSCI included areas within the Dales and there would be consultation with communities to gather feedback and buy-in. He reiterated that a new Project Officer would help in terms of working with Town and Parish Councils and AAPs on consultation. Councillor T Henderson noted that information for Members would be useful to be able to help provide feedback to Town and Parish Councils. The Policy Officer noted that this was an issue the new Officer could look at once in post.

Councillor R Ormerod agreed with the points raised in relation to the Council leading by example with their fleet, however, he noted the new headquarters plans only included eight electric charge points and asked if there could be assurance the number could be increased in the future. The Principal Policy Officer commented that he thought the figure was currently ten charging points however the Fleet Manager was in discussion with the relevant colleagues in relation to charging points at the new headquarters and commented that the Fleet Manager would be attending the Environment and Sustainable Communities Overview and Scrutiny Committee in January 2020 to provide detail on proposals for the Council fleet.

Councillor L Maddison recalled an electric vehicle display held at County Hall a few months back which featured an electric refuse vehicle and asked as regards any progress on this. The Sustainability and Climate Change Team Leader noted that the Head of Environment, Oliver Sherratt was very passionate as regards electric vehicles, however some of the larger vehicle were very expensive, although it was hoped that as prices reduced, they could become more viable. She added that in the case of larger vehicles, hydrogen powered vehicles could be an option, though they were complex issues associated with this option. She noted the initial focus was on car and small vans at first, with the larger vehicles when viable, and the rurality of the county was also a factor to be considered when looking at solutions.

Mrs R Morris asked as regards public transport within the County, noting Bergen, Norway operated electric buses. She also asked as regards linking to the NELIS area of strategic importance "energy", as mentioned in the previous item, and if there were opportunities not just in terms of off-shore wind farms. The Principal Policy Officer noted that there was the Low Carbon Strategy and that the Council worked with all the NECA Local Authorities and the NELEP Energy Officer, tying into the NE LIS not just in terms of electric vehicles in isolation.

Mrs R Morris noted she felt County Durham was very good, however, as a rural county there were specific needs. The Principal Policy Officer noted that 70 percent of journeys within the County were private car journeys. Mrs R Morris wondered if companies and organisations would be willing to subsidise for electric buses for their workers.

The Sustainability and Climate Change Team Leader noted that there was a European Rural Development Fund call, due January 2020, for transport areas looking at solutions such as solar powered car ports and canopies for charging vehicles and larger solar farms that could provide free charging for electric buses. She added that there were a few places in the country that operated electric buses, however, there were some complex issues in terms of ownership. Members noted that work was ongoing including with the Department for Business, Energy and Industrial Strategy (BEIS).

Councillor S Dunn noted that many of the reports being considered by Members did not appear to have a Climate Change section within Appendix 1 – Implications.

*Councillor R Ormerod left the meeting at 10.45am*

He asked as regards the costs of the electric refuse vehicles, noting he would expect that the Authority would be progressively replacing vehicles over time and while there would be a cost implication, he would like to think the Council would utilise the best technology possible. Councillor S Dunn also noted that if use of electric buses was to grow then public transport would need to be more attractive, especially in rural areas and asked if we work with commercial partners in terms of electric vehicles. The Principal Policy Officer noted that in terms of the DCC Fleet the procurement process now included the requirement to prove why an electric vehicle would not be chosen. The Sustainability and Climate Change Team Leader noted the Council had two electric vans and the assumption was now whenever a vehicle was to be replaced it would be an electric vehicle unless there was a case not to. She added that in terms of commercial operators it was perhaps more difficult, noting the work of Lanchester Wines to become carbon neutral and reminded Members of the Business Energy Efficiency Project (BEEP) with one strand being to support small and medium enterprises (SMEs) in terms of installing electric charge points.

Councillor T Tucker asked as regards any work ongoing in terms of having alternative power at existing filling stations and would there be something in place to keep employment going, with a large number of existing filling stations and if demands for petrol and diesel were to lower many filling stations would struggle. She also noted that in regard to the new Council headquarters and charge points, that was not the only Council base, with a number of other strategic sites.

The Sustainability and Climate Change Team Leader noted there was an ERDF bid in terms of solar panels for our depots, with a hope to be have Morrison Busty 100 percent carbon neutral and noted work at the Louisa Centre, Stanley albeit not connected to electric vehicles. She noted the comments in relation to existing filling stations and there was larger national work being undertaken by organisations such as the Highways Agency as regards motorways and electric charge points. The Principal Policy Officer noted some large oil companies were investing in charge technology companies in preparation.

Councillor E Adam noted the good work being undertaken, however, felt that within the UK we were perhaps still 'playing at the game' and that investing in public transport and moving heavy goods off roads and on to rail was required. He added that perhaps more focus on electric vehicles, park and ride, taxi infrastructure to prevent pollution from vehicle idling noting only one charge point at Chester-le-Street. Councillor E Adam noted that looking at a national map of charge points most were within the major cities, with only three points in between Newcastle and Leeds, adding the infrastructure was not there yet. He understood the constraints of what the Council could achieve and noted Climate Change Activist Greta Thunberg highlighting at a United Nations meeting that we should not be simply using mealy words. He added as Chair of the Environment and Sustainable Communities Overview and Scrutiny Committee there would be a visit to Lanchester Wines next year and there would be an update report on Climate Emergency at the October meeting of the Environment and Sustainable Communities Overview and Scrutiny Committee.

Councillor J Clare noted he felt a key barrier to electric vehicles was range, with many potential electric vehicle drivers being reticent to make the change on that basis. He added that in terms of fleet use there was a need to ensure a large enough range to be safe. He explained that installing a charge point was around £3,000 however grants of around £500 were available when purchasing certain electric vehicles. He highlighted that a charge from the mains could take up to ten hours. He added that current electric vehicle owners were 'explorers' and explained that as technology improves it would be important to provide good information and advice to the public.

Mr G Binney noted that and Energy Trust report had highlighted hydrogen as an alternative fuel for large vehicles such as lorries and buses and asked how such technology would be utilised, especially for rural areas, and asked if a mix of hydrogen and electric could be the solution. He added that batteries for electric vehicles also had a limited lifespan and contained toxic materials, so he felt that new battery technology, recycling of batteries and hydrogen were the future and asked if those elements were part of the overarching strategies. The Principal Policy Officer noted the points made and noted that it was important to be able to react quickly to changes in technology. The Policy Officer noted that funding was always something to keep an eye on, with there being some uncertainty in terms of the national picture relating to hydrogen.

The Sustainability and Climate Change Team Leader noted there was always an issue in terms of which technology would emerge as the de-facto standard and therefore we need to be prepared to take advantage of available funding and react to policy and economic drivers.

**Resolved:**

- (i) That the report and presentation be noted.
- (ii) That the progression of the Workstreams set out in this report be noted.
- (iii) That the significant potential of the SOSCI project to fund EV charge points in rural and low-income areas be noted.
- (iv) That the Committee supports the development of a ULEV Strategy.
- (v) That a further report and presentation is received at a future meeting of the Committee detailing further progress made.

**10 Quarter Four, 2018/19 and Quarter One, 2019/20 Revenue and Capital Outturn**

The Chairman introduced the Finance Manager, Philip Curran to speak to Members in relation to the Quarter Four, 2018/19 and Quarter One, 2019/20 Revenue and Capital Outturn (for copy see file of minutes).

The Finance Manager reminded Members of the areas reported upon, the General Fund Revenue Account, and the Capital Programme for the Regeneration and Local Services Service.

The Finance Manager referred Members to the information relating to Quarter Four 2018/19 with the service reporting a forecast underspend of approximately £1.481 million, against a revised budget of £58.079 million. It was noted that the last two columns of the table following paragraph 11 should read Quarter Four and Quarter Three. Members noted the major variances were set out within the report and that the service grouping was on track to maintain spending within the cash limit and more details were contained within Appendix Two to the report.

As regards the Capital Programme, the Finance Manager explained that the revised budget stood at £42.438 million, with a breakdown of the major capital projects given at Appendix Three to the report. Members noted the spend to date of £31.930 million and the Finance Manager explained some projects would move forward to the 2019/20 budget.

The Chairman thanked the Finance Manager and asked Members for their comments and questions on the Quarter Four, 2018/19 report.

Councillor P Howell noted his frustration in terms of the style of the report, feeling it was not useful for Members or the general public.

The Finance Manager referred Members to the information relating to Quarter One 2019/20, noting a difference in that Corporate Property and Land was included. He informed Members that the service was reporting a forecast underspend of approximately £0.820 million, against a budget of £59.407 million. Members noted that the major variances were set out within the report and that the service grouping was on track to maintain spending within the cash limit and more details were contained within Appendix Two to the report.

As regards the Capital Programme, the Finance Manager explained that the revised budget stood at £67.092 million, with a breakdown of the major capital projects given at Appendix Three to the report. Members noted the spend to date of £5.671 million and the Finance Manager explained it was expected the budget to be fully committed.

The Chairman thanked the Finance Manager and asked Members for their comments and questions on the Quarter One, 2019/20 report.

Councillor R Crute noted in relation to the concerns raised by Councillor P Howell that there would be budget training for Members, following the conclusion of each of the thematic Overview and Scrutiny Committees. He added that the report format mirrored that of the Cabinet reports for consistency. Councillor P Howell noted he welcomed the training and noted issues in terms of capital expenditure and asked if that which was carried over would result in a higher spend in this financial year in order to catch up. The Finance Manager noted that schemes would carry forward, some programme operating over multiple years. He added that each quarterly report would set out revised positions, highlighting any slippage in terms of the delivery of schemes. Councillor P Howell noted the revenue savings were welcomed and he added that if capital was being invested and schemes were being completed then this was also good, it was any delay that was the issue.

Councillor T Tucker referred to an overspend in relation to Housing Solutions and use of Bed and Breakfast accommodation. The Finance Manager noted the service were looking to reduce the spend in this area, though they needed to be reactive when need arose.

**Resolved:**

That the reports be noted.

## **11 Quarter One 2019/20 Performance Management Report**

The Chairman thanked the Strategy Team Leader, Gemma Wilkinson who was in attendance to speak to Members in relation to the Quarter One, 2019/20 Performance Management Report (for copy see file of minutes).

The Strategy Team Leader reminded Members of the different types of indicators reported, Tracker indicators and Target indicators and the performance reporting arrangements for 2019/20 were via a number of key performance questions (KPQs), aligned to the “Altogether” framework of six priority themes.

Councillors noted the five areas of focus for “Altogether Wealthier” were: do residents have good job prospects; is County Durham a good place to do business; do residents have access to decent and affordable housing; is it easy to travel around the County; and how well do tourism and culture events contribute to our local economy. Members noted infographics relating to performance under each of those areas.

In relation to “do residents have good job prospects” it was noted that the employment rate had risen and was above target, however, it was highlighted that it was within confidence levels. The Strategy Team Leader noted the breakdown in terms of gender and full-time and part-time jobs and highlighted the gap between County Durham and the National percentages in terms of those with an equality act core work limiting disability.

The Strategy Team Leader referred to information in relation to those not in employment, education or training (NEETs) and noted a slight increase, with September being a transition point between school and colleges.

The Committee were referred to the infographics relating to “is County Durham a good place to do business?” and it was explained that 2,312 jobs had been created or safeguarded from the activities of Business Durham, with further information to come forward at a future meeting. The Strategy Team Leader noted other areas of activity and highlighted that the County Durham Plan (CDP) was at the examination in public stage, October 2019.

The Strategy Team Leader explained that in terms of “do residents have access to decent and affordable housing?” that elements in relation to selective licensing had already been discussed at a previous item. She added that housing completions had increased the current quarter and there had been £250,000 of funding secured in terms of the Rapid Rehousing Programme to support homeless people.

In respect of “is it easy to travel around the county?” the Strategy Team Leader referred to figures from the Transport Asset Management Plan (TAMP) 2018 in respect of the condition of A, B and C roads, having increased and rated close to national standards. Members were informed of improvements carried out from the Cycling and Walking Delivery Plan 2019-29 and noted progress in terms of the rail station at Horden.

*Councillor S Dunn left the meeting at 11.37am*

In relation to “how well do tourism and cultural events contribute to our local economy?”, the Strategy Team Leader explained that the number of visitors to the County had increased, following the trend over the last few years, and highlighted statistics relating to a series of events over the year including: Durham Pride; Seaham Food Festival; Pyjamarama; and the Cricket World Cup. She noted grant funding towards the Crimdon Coastal Visitor Centre and Events Hub and the reopening on Peterlee Library within the Leisure Centre following refurbishment works.

The Chair thanked the Strategy Team Leader and asked the Committee for their comments and questions.

Councillor E Adam asked as regards the numbers of NEETs and felt they were very high compared to national and North East averages. He asked if more analysis was being undertaken to find out why figures remained stubbornly high. The Strategy Team Leader noted she would speak with colleagues within the Children and Young People’s Service and confirm as regards figures. Councillor E Adam noted that it would be useful to have percentages and actual numbers of individuals.

Councillor P Howell noted the figures relating to local passenger journeys on the bus network and asked if anything was driving the reduction in use.

*Councillor E Scott left the meeting at 11.44am*

The Strategy Team Leader noted she would look at the issue, policy drivers and circulate additional information in due course.

Councillor R Crute noted employment figures and noted it appeared as if there was an issue in terms of the type or quality of the jobs in the County, he asked it was down to issues such as underemployment or people having two or three part-time jobs and asked whether we could drill down into the information. The Overview and Scrutiny Officer noted that a meeting of the Committee, 6 December 2019, would focus on employment figures, gross value added. The Strategy Team Leader added that different figures reported had different timescales and associated data lag, with disposable household income data being from 2017, with the employment rate figures being the most up-to-date.

Councillor P Howell noted he felt the report style for the performance reports was excellent and the information very well presented.

**Resolved:**

That the report be noted.

## **12 Minutes from the meeting of the County Durham Economic Partnership**

The Minutes of the meeting of the County Durham Economic Partnership held 12 July 2019 were received by the Committee for information.