

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held remotely **via Microsoft Teams** on **Tuesday 23 February 2021** at **9.30 am**

Present:

Councillor M Clarke (Chair)

Members of the Committee:

Councillors E Adam, J Atkinson, A Bainbridge (substitute for T Henderson), A Batey, R Bell, R Crute, S Dunn, D Hall, J Higgins, S Iveson, L Maddison, J Maitland, R Ormerod, E Scott, P Sexton, F Tinsley (substitute for R Manchester), M Wilkes and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors B Avery, I McLean and A Shield

The Chair noted Agenda Item 8 – Town and Villages Investment Plan would be taken as Item 7, the agenda to continue with Overview and Scrutiny response to the Minerals and Waste Development Plan Document and the Parking and Accessibility Supplementary Planning Document as the new Item 8.

1 Apologies for Absence

Apologies for absence were received from Councillors T Henderson and R Manchester.

2 Substitute Members

Councillor A Bainbridge substituted for Councillor T Henderson and Councillor F Tinsley substituted for Councillor R Manchester.

3 Minutes

The minutes of the meeting held 7 December 2020 were agreed as a correct record and would be signed by the Chair.

4 Declarations of Interest

There were no Declarations of Interest.

5 Items from Co-opted Members or Interested Parties

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

6 Impact of COVID-19 on the Regeneration, Economy and Growth Service Grouping - Update

The Chair welcomed the Corporate Director of Regeneration, Economy and Growth, Amy Harhoff who was in attendance to provide the Committee with an update presentation in relation to the impact of COVID-19 on the Regeneration, Economy and Growth (REG) Service (for copy see file of minutes).

The Corporate Director, REG thanked the Chair and Members and noted the report and presentation were written prior to the Prime Minister's announcement in relation to the Government's route out of lockdown, with the Council in the process of understanding that information. She explained the areas that would be covered within the presentation were: Transport and Contract Services; Culture, Sport and Tourism; Development and Housing; Corporate Property and Land; and Corporate Communications and Marketing.

In reference to Transport, the Corporate Director, REG noted the impact upon public transport and traffic, with passenger numbers on public transport at 30 percent of normal levels and commuter traffic at 80 percent of normal outside of peak times, 65 percent at peak times, with journeys seemingly for wider use rather than travel to work. She explained that public transport was covering 80 percent of the normal network, with a focus on those routes with demand and those supporting key workers and schools.

The Corporate Director, REG noted that in respect of culture, the majority of the events in 2020 were cancelled as a result of COVID-19 and that events that would go ahead in 2021 would be reviewed in line with Government announcements and guidance. She added that in terms of leisure centres, the lockdown had resulted in centres being closed and a number of staff being furloughed, with others supporting other areas of work, such as vaccination hubs.

It was noted that a survey of centre users showed that only around three percent would not return to use the facilities, and therefore there was an expectation of a strong comeback in terms of use. Members noted the use of virtual sessions, with over 1,000 users on the app being used by the service. The Corporate Director, REG reiterated that events for 2021 would be dependent upon guidance and restrictions being lifted, and issues such as social distancing would need to be considered. She added that investment was being made in several cultural venues, carrying out maintenance so that they would be ready for reopening.

In terms of development and housing, the Corporate Director, REG noted temporary accommodation for rough sleepers and the "Stop B4 you serve" mediation service to help avoid evictions. Members were informed of the lower levels of referrals to employment services from Jobcentre Plus as a result of the pandemic and the Corporate Director, REG noted that those services would be key in terms of the displaced workforce. In respect of investment, the Corporate Director, REG explained there was the Reopening High Streets Safely Fund and there would also be recovery grants. She explained as regards additional maintenance works being carried out as part of the corporate property and land and also work being undertaken at Durham Bus Station and phase one at Aykley Heads. It was added that there was ongoing maintenance work and COVID-19 safe working, and that County Hall was being used as a vaccination centre.

The Corporate Director, REG noted the launch of the £5 million Business Recovery Grant scheme, to safeguard and create jobs, sitting alongside the COVID Business Support Brochure to help plug any gaps, adding that if unsuccessful in terms of a grant, guidance and help in terms of applications for other opportunities would be given as appropriate. The Committee were asked to note the significant additional demands on corporate communications and marketing, with public health messages relating to COVID-19 including: messaging; communications to communities affected by localised outbreaks; service changes following government announcements. It was noted those areas were in addition to the day-to-day work of the communications team, and that work was joined up with partners in the region, and across the seven Local Authorities (LA7), to maintain consistency.

In respect of the known economic impact, Members were asked to note there was a need to understand which sectors had been impacted by COVID-19 in the short-term, the long-term, and the impact of Brexit. The Corporate Director, REG noted 11 percent of the workforce in County Durham were currently furloughed, compared to 30 percent during the first lockdown which had reduced to 6 percent before latest lockdown. She added that the latest employment levels were not known, and that data would be picked up within the next weeks and months, with the Council commissioning additional analysis. She added that the claimant count was 6.1 percent, however it had risen sharply for young people, by 60 percent, and was nearer 10 percent for that cohort.

The Corporate Director, REG noted the visitor economy, hospitality sector and cultural sector were hardest hit by the pandemic. She added there was demand and therefore it would be important to work in order to be ready to be able to open up safely. It was noted that Brexit had also impacted on those sectors. She noted that some sectors had actually grown during the pandemic, namely the manufacturing, logistics and digital sectors, in part due to the work supporting the pandemic response.

The Corporate Director, REG explained that a priority was local investment to help support recovery, through private investment and the Council working to access funding including the UK Shared Prosperity Fund, the Levelling Up Fund, and other recovery funding. She added as regards the importance of working regionally to be able to help maximise such funding streams.

The Chair thanked the Corporate Director, REG and noted the move to the recovery phase, adding as regards the Prime Minister's announcement and reiterating that there was still uncertainty in terms of funding, Brexit and the ongoing situation in respect of COVID-19.

Councillor M Wilkes thanked the Chair and Corporate Director, REG and noted the work in relation to the Aykley Heads development site and asked if there were other schemes in the pipeline, such as the leisure centre development programme. He asked if the programme had started, what funding was allocated and why works had not started as it appeared to be an opportune time, while closed, to cause the least amount of disruption to the public. Councillor M Wilkes noted the housing on the green belt within Durham City and asked if the Belmont Viaduct was included within the project, as it was at one time to be included and that in terms of walking and cycling it would be a shame if it was not included. He asked as regards the Towns and Villages Programme, noting as far as he was aware Councillors had not been contacted as regards the scoping of projects.

The Corporate Director, REG noted there was a lot of development in the pipeline and noted that leisure centres were a priority. She explained that the March meeting of Cabinet would receive an update on the leisure sites and locations for new build. She noted that while some physical works had not yet been carried out, feasibility works had been undertaken. In respect of housing on the green belt and the issue raised relating to Belmont Viaduct, the Corporate Director, REG noted she would look into the matter and come back to Councillor M Wilkes accordingly. She noted the Town and Villages Programme was the next item on the agenda and that she had offered to meet with Councillor M Wilkes to speak as regards issues he had previously raised. She added that the Team would be going to all the Areas Action Partnerships (AAPs) to provide an update and answer questions.

Councillor M Wilkes noted in respect of leisure centres, the plans were finalised, noting the example of Abbey Leisure Centre where original proposals had included extension works, works to the squash courts and did not include refurbishment of the changing rooms. He noted local Councillors had not been contacted in terms of the scoping for the works to be undertaken and therefore if the programme of works was finalised when were Councillors to be contacted. The Corporate Director, REG noted there would be two milestones, the March meeting of Cabinet seeking approval in terms of three new builds and the early technical analysis of the wider programme. She added there would then be a further round of engagement with Councillors and AAPs on specifics and details. She noted a final report including the specifics would then be produced later in the year.

Councillor R Crute, Chair of the Overview and Scrutiny Management Board, noted the amount of work ongoing and thanked the Corporate Director, REG. He noted with the combined impact of COVID-19 and Brexit he felt there was as much work ahead as had already been undertaken, especially in terms of employment, jobs and skills. He noted the statistics showed that the impact had fallen disproportionately on young people and therefore Government funding in respect of the levelling up agenda would be very much needed. He noted locally there were the key development sites and that together with developing those there would be the need to be able to get young people to jobs, providing them with the requisite skills, via the work of Business Durham with training providers. He asked how we would create more and better jobs, and how we would attract and develop those high level skills.

Councillor R Bell asked as regards Business Recovery Grants and demand, noting £3.5 million of £5 million being allocated. He asked what the typical grant amount was and if a pre-existing business, before March 2020, had changed ownership would that business be eligible for a grant, citing Public Houses as an example of where that could occur.

The Corporate Director, REG agreed in terms of the impact on young people, as they often worked in the sectors most impacted by the pandemic such as retail and hospitality. She added the Interim Managing Director, Business Durham, Sarah Slaven and the Economic Development Manager, Graham Wood were in attendance at Committee and that they led on a number of projects including working with Jobcentre Plus looking to match young people and their skills with employers and jobs. She reminded Members that a lot of those programmes were underpinned by EU funding and therefore it would be critical to have UK Shared Prosperity Fund monies to be able to sustain those programmes. She noted in respect of grants, there was not one size of grant and it varied with applications being up to £3 million, with some meeting the criteria, some not. She explained demand was far greater than the funding available.

The Interim Managing Director, Business Durham explained that it had been heartening to see the applications from businesses. She noted two-thirds of applications were approved and had come from sectors including: tourism, hospitality, leisure and retail. She noted many were looking to maximise use of outdoor space, in recognition that activities outdoors were safer in terms of COVID-19. She added some grants had been in terms of helping businesses move online and therefore there had been a mix of different types of applications. She noted that if a business existed prior to 11 March 2020, and could demonstrate the change of owner, then they would not be precluded from applying for a grant.

Councillor B Avery asked if an individual ran a business from their own home, would they be eligible for a grant.

Councillor E Adam noted the devastating impact upon young people and asked as regards the Youth Employment Initiative (YEI) and funding for the scheme, noting current EU funding would cease at some point. He also asked as regards the “Stop b4 you serve” mediation scheme as he had understood that evictions had been suspended and that Government had not yet reinstated debt recovery companies however debt recovery did seem to be taking place.

The Corporate Director, REG noted she would look into the issue relating to debt recovery and come back to the Councillor. The Interim Managing Director, Business Durham noted the Business Recovery Grants were different and separate to Business Rates Relief and that in terms of the recovery grants, if the business met the eligibility criteria then they would be able to apply for grant. The Economic Development Manager, noted that the YEI, DurhamWorks, had received a European Social Fund (ESF) extension and notification of possible further extensions had been made around Christmas. He noted that accordingly, possible further extension through to December 2023 would be looked at.

Councillor J Atkinson stated that he had heard comments that the Communications and Marketing Team did not offer value for money. He noted he saw the great value in the work that was undertaken by the team and thanked the Corporate Director, REG for highlighting, in her presentation, some of the work they undertook. However, he asked if she could provide further detail to the Committee on the various type of activities, they were involved in.

Councillor F Tinsley noted the issue of youth unemployment and the Kickstart programme launched several months ago by Government and asked as regards the uptake of that scheme. He also asked as regard bus services across the county, noting that he felt there were systemic issues, especially in the rural west of the county, noting Government support in respect of services would not continue forever. He added that with the move to increased homeworking, there would likely be a reduction in bus use and therefore asked whether discussions were being had with bus companies and Government, including in terms of a regulated model and quality contracts.

Councillor F Tinsley noted the benefits in terms of increased walking and cycling, including in relation to older people who may not access leisure facilities in more normal times, and added he felt the Council should be helping to promote walking. He noted the county had a huge resource in respect of its network of old railway lines and felt looking at those areas in conjunction with the investment in leisure centres would be beneficial.

The Corporate Director, REG noted the work carried out by the Communications Team, in terms of working with schools, Public Health, regional promotions, and also statutory engagement and requirements of accessibility. She added that also it was critical to be able to promote the county in order to attract inward investment and maintain our high profile and reputation. She explained that the Council also had a duty to maintain the internal communications with Members and staff, and therefore this had been an area that was prioritised and invested in.

In respect of bus services, she noted the impact of the pandemic, however, passenger numbers had been decreasing nationally and therefore the Council was conscious of that difficult market. She explained that the Council was in regular dialogue with bus operators, noting the Council's devolved powers in respect of grants. She added there was a close working relationship with all operators, especially the two main companies, however, she noted there had not been any formal dialogue in terms of bus regulations. She noted the Council worked around the county with partners and regional colleagues to ensure the best cross-boundary services were provided. She noted that cycling had increased by 400 percent in some areas of the county during the pandemic and walking had also increased. The Corporate Director, REG noted that there had been almost £500,000 of cycling investment secured via the urgency active travel schemes, however, she felt much more was needed and there were opportunities for increased sustainable travel. She noted the importance of walking and cycling routes, including those on old railway lines, and explained that these were areas being invested in via the Town and Villages Programme, which was important in terms of not only sustainable transport, but also in terms of the Council's environmental objectives.

The Economic Development Manager noted the Kickstart programme was a very important element of the Government's plan for jobs. He explained that the Council was acting as an intermediary, bringing together job opportunities from smaller employers, working through the DurhamWorks programme, and in conjunction with Business Durham and the Economic Development Team working with businesses across the county. He noted work liaising with the Provider Forum and a number of other gateway organisations across the county as well as work helping a smooth flow of jobs presented to Jobcentre Plus for approval and being made available for young people.

He noted that a number of opportunities had been coming online just as the further phase of lockdown commenced, noting some opportunities had been created as part of the national pool, with open applications coming through, an example being Livin, with opportunities with both them and within their supply chain being fed through to Jobcentre Plus for the South-West Durham area. The Economic Development Manager added he would be meeting with the countywide Provider Forum later today, with discussions including those issues, looking at tracking how quickly Kickstart opportunities can be put through the system and made available to young people across the county.

Mrs R Morris thanked the Corporate Director, REG and noted she had mentioned the commissioning of a report to look at the recovery plan. She asked as regards whether there would be inclusion of how to bring investment into the county, in particular in those areas where future jobs would be generated and sustained. She noted a lot of companies had noted issues in terms of getting the number of skilled people they needed. Mrs R Morris noted she hoped that the report would include information as regards how to bring young people, of school age, into science and technology. She added there was a whole industry in battery production for the future and therefore that could be an area to sustain many jobs, however, figures showed that youth unemployment had been quite high and there was the further impact of the pandemic. She added there were a number of employers that were waiting to work with schools in order to encourage young people into those industries, and she hoped that this would be mentioned within the report being commissioned.

The Corporate Director, REG noted at the current stage it was in preparing a baseline economic position ready for recovery. She added that there would be work with the private sector to assist in providing the skills base they needed and to help residents within County Durham access those opportunities.

Resolved:

That the report and presentation be noted.

7 Towns and Villages Investment Plan - Progress Update

The Chair asked the Economic Development Manager to give an update on the progress of the Town and Villages Investment Plan (for copy see file of minutes).

The Economic Development Manager referred Members to the report and presentation slides contained within the agenda pack and noted the current approach to Town and Villages had been agreed by Cabinet in December 2018, with the Strategy agreed by Cabinet in October 2020. He explained that it was linked with broader regeneration work and looked at the regeneration needs of the smaller town and villages, as well as the 12 main settlements.

He added that it was noted in 2018 that there was pressure on retail, with disinvestment in town centres, and the work of the Committee had also fed into the Town and Villages Strategy.

Members noted that the overall package of investment across County Durham was £750 million, including some private investment. The Economic Development Manager noted there were four blocks, with: strategic investments, which included leisure centres, accounting for £302 million; housing and community, £412 million; transport and connectivity, £39 million; and the built environment and health, at least £16 million. It was noted there would be a focus on: partnership working; aligning activities and budgets; disadvantaged communities - equitable approach; and five themes.

The Economic Development Manager noted the five themes were: strategic investments; housing and community; environment and health; built environment; and transport and connectivity. He noted these aligned with the previous work of the Committee, an example being digital events to help draw people into town centres. He explained as regards how the housing strategy would help, with selective licensing as one example, and with community housing progressing with various groups and Homes England. He noted provision for those with specialist needs, including older persons and those with learning difficulties. The Economic Development Manager added that work also included helping to improve energy efficiency for poorly performing properties, with works including those to help solid wall properties. He noted that other work recognised the role community facilities had played during the pandemic and would look to extend the range of activities at those facilities to continue to support their surrounding communities.

The Economic Development Manager noted work undertaken in terms of the environment, including “spruce up” work, the work of the Community Action Team (CAT) and other physical works to ensure open space was accessible. He added there had been a lot of work with AAPs and in terms of the increase in empty retail properties, with an empty property process being in place for residential properties. He reminded the Committee of the Target Business Improvement Programme, with the Town and Villages programme looking to enhance the support offered, to include property conversion loans, recognising the demand for retail space within town centres was decreasing. He noted, pre-pandemic, there had been a rise in use for food and beverage and hospitality, adding that those types were particularly expensive to bring forward. It was noted that other potential options could be for conversion to high quality residential accommodation or for visitor economy bedspaces.

In respect of transport and connectivity, the Economic Development Manager noted consultation in October and November 2020 via the AAPs in relation to access in terms of walking and cycling routes, establishing links from town and villages to existing routes.

He noted such connectivity works associated with the Stronger Towns proposals at Bishop Auckland, and the cycling and walking schemes being developed by colleagues elsewhere within the Council.

Members were asked to note the five themes would be blended with existing schemes coming forward, and the Economic Development Manager explained that the Council had not eased off in terms of investment through the Town Centre capital programme, aligned with the existing Masterplans. He explained with the County Durham Plan (CDP) there was a clear view in respect of housing allocations, and it was noted there was still a demand for large scale housing development which brought significant investment and improvement, and follow on benefits in terms of investment in community facilities and junction improvements. He added there would also be the opportunity to maximise local employment with developers, sub-contractors and apprenticeship schemes.

The Economic Development Manager reminded Members of the large scale economic investments, with sites including: Jade Business Park; Integra 61; Aykley Heads and Forest Park. He noted they would have a positive impact in terms of the demand for some of the towns and villages as residential locations.

It was noted the issues of selective licensing and empty homes had been mentioned previously, significant issues that Members had looked at within the work of the Committee and elsewhere within the Council. The Economic Development Manager noted the continued importance residents placed on the maintenance of the local environment through the Council's Clean and Green Teams. He reiterated there was a significant investment budget coming forward in terms of leisure transformation, with similar opportunities to housing in terms of local contractors.

The Economic Development Manager referred to the £750 million of investment and noted mapping of all the existing regeneration investments by area, whether current or planned, with or without planning consent, and whether there were confirmed budgets. He added that developing the overall investment figure was important in terms of positive communications in relation to inward investment and also, at a practical level, in terms of understanding what investment were coming through to sequence investments coming through in communities most effectively. He noted that the work in terms of the investment plan looked to sequence investment so that the Council was not doubling back, and to apply the same approach to private development and registered social landlord (RSL) partners with a hope to maximise the impact within communities.

The Economic Development Manager reminded Members of the consultation that had taken place with AAPs and the feedback that had been received.

He noted that around 1,500 people had registered for the autumn AAP programme and there had been a significant range of comments and, when talking at AAPs as regards the approach to towns and villages, there had been strong support for the principles and useful commentary in terms of project opportunities people wished the Council to look at. He explained the feedback had been looked at and summaries given back to each of the AAPs and the priorities and requests would be built into the forward programme where possible.

The Committee were reminded that the report which was presented to Cabinet provided a breakdown of the £25 million programme and it was added that there were some well received projects, such as Digital High Street, looking to provide town centre wi-fi across all of the main centres within the county. The Economic Development Manager explained as regards the pilot programmes at Bishop Auckland and Stanley, both going live just prior to the pandemic. He added that while there was some perception that wi-fi was a threat to town centres moving forward, people would look to spend more time in town centres through social activities and the availability of town centre wi-fi helped in delivering accessibility.

It was noted that in terms of general retail, figures showed that consumers would price check while out shopping, and that the data gathered via wi-fi would help in terms of understanding footfall, peak times, and how people arrived, departed and moved around the town centres. The Economic Development Manager explained that data could help in respect of planning events, car parking provision as well as providing opportunities for businesses and developers. It was noted that the data would be anonymised and was compliant with legislation. It was added that if users did choose to log in, that would provide an additional level of profile in terms of the demographics of town centre users. The Economic Development Manager noted in the next month there would be the roll out of the next phase of the programme in Barnard Castle, Chester-le-Street and Seaham, with Durham City to follow after those areas. He added that within the investment programme, future dates had been identified in respect of the survey work to be undertaken in the other town centres. Members noted that as a part of Digital High Street there would be a package of support for town centre retailers to ensure they have the skills to maximise digital opportunities, from digital retail skills to basic IT competency.

The Economic Development Manager noted the Retail Hub proposal brought together a number of strands of support for retail, including training packages for retail; opportunities for test trade via markets or pop-up shops; or looking for other non-retail temporary uses for buildings to ensure active frontage and drive footfall. He noted neighbourhood retailing was something that had fallen outside of the scope of the main centre programme, although the Authority was aware of the important of local retail parades, an issue magnified over the last 12 months with people being prepared to shop more locally rather than the larger centres or out of town supermarkets.

He explained that the programme to be established would look to work with retailers for smaller scale improvement schemes, for example shop frontage works, property conversion and improving the adjacent environment, such as seating, neighbourhood parades and dedicated car parking.

Members were asked to note other large programmes included the green home fuel efficiency programmes, with allocations being provided by the Council against which the Authority had drawn down Government grants, providing an effective, targeted programme to address low performing properties countywide.

The Economic Development Manager noted that communications and marketing would be used to help provide reassurance to local residents about what was happening in their area as well as providing information for external investors about what opportunities there were and how communities were changing. Members were asked to note some of the logos and icons that would be appearing in publications going forward.

The Economic Development Manager noted the next steps would include discussions with partners, Councillors and AAP Chairs at a meeting of the County Durham Partnership Forum. He added there would then be further dialogue with AAPs as regards identifying local priorities, to be looked at ongoing on a twice yearly basis.

The Chair thanked the Economic Development Manager and asked for Members comments and questions on the report and presentation.

Councillor F Tinsley thanked the Officer for his comprehensive presentation and noted that the project was first conceived by the lead political group around five years ago, recognising the significant investment in County Durham and being cognisant of “taking everyone with us”, with a need to reach into communities across the county. He noted the investments in main centres was important, such as Durham City, and added that it was also important to push regeneration down. He noted that figures showed that 47 percent of the population lived in areas that were in the top 30 percent in respect of deprivation in England. He added there was a need to support those people and he noted the programme was unashamedly about going into those poorer communities. He noted examples of deprivation within the county and added that it was important to ensure that money and investment was spread across the county to reflect that. He continued that a good example was housing, with a new boom of 5,500 new houses allocated within the CDP. He noted that the previous boom had been around the years 1880 to 1920 when a lot of the pit rows had been created, those properties coming to the end of their life and with those areas being in need of investment and regeneration. He commented that private residential tenancies needed to be managed, with selectively licensing being an important way of achieving that aim. He reiterated that the programme was about need, levelling up across County Durham and, alongside investment in main centres, looked to invest in local communities.

Councillor F Tinsley noted that he felt no need to apologise to those that might say investment should be “equally spread”, as he felt while all should have a fair chance to access funding, it should be allocated in terms of need and that was why he felt the programme was the right thing to do.

Councillor M Wilkes noted he had not wished to be political, however, he explained that the project had not been formulated by the lead group, rather he submitted the original motion demanding a town and villages reserve, with he and his colleagues repeatedly mentioning the need for such a reserve since 2008 as there had been no funding for the areas outside of the main town centres and villages. He therefore was delighted in terms of the funding however it had come about as a result of pressure on the issue from himself and others. Councillor M Wilkes noted that there had been a two-year period where both Labour and opposition Councillors had been waiting for the original 21 schemes to be scoped so that works could start. He added that the programme now had some of those original schemes allocated to next year, with new schemes now appearing in August and September of the current year. Councillor M Wilkes noted this was disappointing for those that had been raising the issue for the last decade and had tried to get projects in their areas scoped for the last two years.

Councillor M Wilkes noted within the programme there was the neighbourhood retail improvements block and explained he had raised the issue with the Portfolio Holder at Cabinet and had not received an answer to his question in respect of what scoping had been undertaken. He noted it was not possible to put forward an exact figure of £582,000 for the scheme for the financial year without knowing what would be done in terms of those schemes. He added that two and a half years later he still did not have any information in respect of the scoping of the original schemes and noted he did not know how long it would be before he would be able to find out. He noted he felt it was completely unacceptable to have waited that long and to continue to wait, not knowing how much money had been allocated to schemes, in particular the one important scheme in his area relating to Framwellgate Moor Front Street. He reiterated that he felt that it was unacceptable for those Councillors, from all groups, who had sat patiently for two years to see schemes in their areas put back while new schemes elsewhere were brought forward to the front of the queue. He asked how the specific figure of £582,000 was calculated for the upcoming financial year, divided among 21 schemes, without having scoped anything.

The Economic Development Manager noted the Neighbourhood Retail Improvement Programme development phase over the last two years, recognising that over the last twelve months that there had been a much reduced opportunity for engagement in developing those schemes. He added that many of those within the teams that support town centres had been supporting the work in relation to COVID-19 recovery work with retailers, supporting over 700 retailers across the county, with some in-depth work with around 400 of those.

He explained that development work for the programme set out Neighbourhood Retail Improvement Budget across the three years of the towns and villages work, identifying the settlements to be scoped as part of that work and budgets year-on-year. He noted that the budget was not for one year divided by the number of schemes that year, rather it was a budget across three years with schemes starting at different phases within a year, some schemes being smaller and with some larger that could run across multiple years. He explained this made it difficult, until there was a detailed plan of what was coming forward, to be able say what the individual investment in centres would be.

The Economic Development Manager noted that, while there had been constraints in the last year in terms of programming scoping and design work, there had been some developments that had come forward and therefore some COVID-19 response monies had been utilised, for example at Framwellgate Moor in terms of Government cycling investment money, dedicated cycle routeways had gone in and from this the Authority would look to incorporate a range of improvements that would enhance and reflect the investment that had been made in recent times.

Mrs R Morris asked as regards the discrepancy in the totals for each of the partnerships, and for clarification on the criteria used, for example deprivation, digitalisation or something else.

Councillor R Bell noted the global figure of £750 million within the Cabinet report, broken down by AAP area, ranging from £219 million in East Durham to £1.3 million in Teesdale and asked if the £750 million figure and the AAP-wide figures from the Cabinet paper could be broken down so that the amounts could be understood in terms of what was Council investment and what was private investment. He noted that in order to arrive at a total one must know what the breakdown was and gave an analogy in terms of an AAP project, where any contributions or match funding by local Members would be clearly set out. He reiterated Members needed to see those figures broken down in order to establish whether funds were being allocated fairly and in order to see where funding was being allocated to. Councillor R Bell noted the slide referring to the AAP events and feedback and noted feedback from Teesdale or any of the AAP Boards did not appear to be included and asked for reassurance that feedback from the AAP Boards and Local Councillors would be listened to in terms of local priorities.

The Economic Development Manager noted, in response to the question from Mr R Morris, that the £750 million figure came from the investment mapping process undertaken in preparation of the report to Cabinet. He added that piece of work was ongoing, and schemes were fed in as they gained approval, either planning approval or private schemes that came forward. He gave an example of looking at the Derwent Valley AAP area, showing around £6.8 million within the investment plan, when looking at the other approved regeneration spend in programme anticipated to come forward over the next couple of years, that would be closer to £78 million of investment in new facilities across the area.

He noted that if you added the approximate 2,050 new homes to be developed in the area, being quantified as investment in Place, then that would represent a further investment of £200 million. The Economic Development Manager noted that the £750 million was a conservative estimate of the improvements across the county and he explained that going forward there would be further work building upon that investment planning process and there would be better oversight of all the investment coming into communities.

He added that, in response to Councillor R Bell, as the investment planning work was developed it would be shared with work ongoing to have it correctly mapped via the Council's GIS system, similar to the town centre survey work that had been undertaken so that people could see what was happening in their area. The Economic Development Manager explained that the slide referring to AAP feedback summarised against a number of headings and he accepted that broader comments had been made and added that additional comments had been received from AAP Boards after the summary. He reiterated following the Committee meeting he would be attending a meeting of the County Durham Partnership Forum where he would be talking further with the AAP Chairs as regards the opportunities through the Town and Villages Programme for each of the AAPs and how he would support them through that process in the coming months.

Councillor A Shield thanked the Economic Development Manager, noting his comprehensive explanation, and adding that had appeared to be missing from the initial report. He noted that he had raised his concerns at Cabinet as regards the rationale of the investment and had been unconvinced by the response from the Portfolio Holder. Councillor A Shield noted he had attempted his own analysis to see whether it had been done on a demographic basis or indices of multiple deprivation. He acknowledged that the Derwent Valley and North West Durham were not closely aligned to the A19 or A1 corridors, nor did they have a benefactor such as Bishop Auckland had in Jonathan Ruffer, and therefore there was a greater need for private investment and investment from the County Council. He referred to a meeting he had with the Corporate Director and Head of Service as regards the figures and added that while the Economic Development Manager had explained that there was additional investment in terms of £78 million and potentially a further £200 million, he would wish to see the investments properly scoped to see exactly where the investment was coming from, whether it was much needed private investment or a combination. Councillor A Shield noted he looked forward to further discussions with the relevant Officers in the future to determine, and correctly communicate across the wider public domain, information as regards the Derwent Valley. He concluded by noting that the people of the Derwent Valley were quite clearly not happy receiving £147 per head of population from this level of investment.

Councillor L Maddison thanked the Economic Development Manager for his presentation and noted the importance of the Digital High Street in relation to the economy.

She asked as regards town centre wi-fi and what the criteria was in terms of the roll out of wi-fi across the county, as she felt it was important for all areas to benefit from it, and what issues would prevent taking forward the roll out at a pace.

The Economic Development Manager noted the concerns raised by Councillor A Shield and was aware of the discussions he had referred to and noted the further level of detail would be provided going forward. He added that ongoing engagement with AAPs would make it clear as regards the levels of investment in their area. In response to Councillor L Maddison, the Economic Development Manager noted that in terms of Digital High Street, opportunities to tie-in with other opportunities or programmes of physical works would be looked at and it was hoped to be rolled out by the end of 2022. He reiterated that next month would see roll out at Barnard Castle, Chester-le-Street and Seaham, with Durham City to follow in the summer subject to issues relating to wayleaves and heritage buildings, with development of the next phase of schemes to follow. He referred to the demolition works that had commenced in Councillor L Maddison's area and noted there was a need to be mindful of issues, such as line of sight for the wi-fi signal repeaters, in respect of new developments coming forward prior to a system being installed to help prevent any blackspots in the coverage. He reiterated it was hoped to have town centre wi-fi coverage by the end of 2022 and that it would also help provide real-time information as regards town centre use and that it would provide an opportunity to do further work in relation to Digital High Street, such as local apps working with independent businesses to help encourage shop local schemes and other additional benefits.

Councillor E Adam noted the comments from Councillor M Wilkes and noted it was easy to criticise rather than scrutinise, and added he welcomed the level of investment the Council was making especially during the time of COVID-19. Councillor E Adam noted he felt most of the works and investment was in Council owned Town Centres and asked about privately owned ones, noting Newton Aycliffe as an example, asking how much discussion will take place with the owner, Freshwater, what level of investment was expected from a privately owned company, and whether the Council was investing a significant amount in Newton Aycliffe town centre.

Councillor P Sexton explained he gave little kudos to AAP consultation as he felt they did not have the reach in terms of mainstream residents, adding he did not know that he had an AAP five years ago, prior to becoming a Councillor. He noted some people would be drawn to political meetings and some would not, however, people did care about their communities. He added that local Councillors and other organisations had far greater reach and therefore he would hope that in future any consultation would be widened beyond the AAPs. Councillor P Sexton noted project methodology was the area in which he had worked during his career and explained that a project could not be delivered, and would have red flags raised, if there was not a settled scope, both costed and resourced and with an associated timeline.

He added he felt it was being done the wrong way around, reiterating that the scope was key and noted that until there was a settled scope the rest was incidental. He referred to a meeting of the Committee in 2017 where the Plan for Chester-le-Street had been discussed, with wi-fi having been mentioned and that to date had still not been delivered. He asked as regards when would there be a detailed settled scope, so that Members could be assured as regards the plans that followed could be monitored.

Councillor D Hall noted he felt it was fantastic to be able to discuss the work in relation to such an amazing investment programme after years of austerity, with over £250 million cut from Government grants, not including the European funding that would be lost, and with over 1,000 staff lost from the Council over the years. He added that other Councils nationally, even prior to the pandemic, had been facing bankruptcy and in was positive that Durham County Council had been able to invest. He noted Councillors rightfully should be championing their areas, however, he felt it was important to reflect and give credit to the Council and all the staff working hard on the programme as well as investment in areas such as schools, town centres, leisure centres amongst others. He asked whether there was the necessary staffing resource in place to be able to carry out all of the scoping work, noting the county was large and had many different types of areas with different demands, such as large rural areas and whether there would be the ability to recruit additional staff, even if only temporarily, in order to carry out the scoping work.

Councillor M Wilkes left the meeting at 11.11 am

The Economic Development Manager noted the Council owned very little in terms of town centres, with most being in multiple private ownership. He added Newton Aycliffe and Peterlee were “new towns” and slightly different in terms of ownership. He noted monies were not ringfenced in terms of ownership. He added there was regular dialogue with Freshwater as regards their investment plans, with the MP in addition recently, as they would tie-in with the Council’s significant investment for example in the co-location of the library. He also noted opportunities to provide support for tenants in respect of long-term leases in Newton Aycliffe and the retail hub support would be available to businesses in Newton Aycliffe.

In reference to the comments and questions from Councillor P Sexton, the Economic Development Manager noted that his recollection of the AAP consultation sessions was that a significant number of online messages that had been received through that consultation vehicle were from people that had not engaged with the AAPs previously. He noted that the anonymised chat function appeared to be something people were quite comfortable with, adding people may have been hesitant to ask a question at a more traditional meeting.

The Economic Development Manager noted that in respect of any consultation, there could always be more, and he noted that the necessity of having to carry out virtual consultations had been something Officers initially had concerns about, however, there had been a good level of response and Officers were now looking at traditional and virtual methods to continue that high level of engagement with residents and businesses at a local level.

The Economic Development Manager noted that building the programme was something that continued and, in reference to the question from Councillor P Sexton in relation to scope, there was scope and parameters for what the Council were trying to achieve under the different investment strands and projects. He noted the mapping exercise that was carried out in the background to identify what had already been spent in those areas and to best identify how and when to invest. He added that there were some projects where there was a defined budget, either against costed items or a contribution against other budgets that have already been identified for a place. He noted that for other projects there would be a budget profile, a total figure for a strand of work, and the work to be carried out with the AAPs was about how to implement projects against that. He added that, as with all project management, if there were other funding opportunities, contributions, or a better way of doing something then the programme would be flexed in order to maximise what could be delivered through that programme. He noted it had been agreed that AAPs would be the prime vehicle by which to talk about issues within each locality.

The Economic Development Manager welcomed the comments from Councillor D Hall and noted that in terms of staffing, that Members would be able to see that the programme was not simply a regeneration programme. He added the delivery of an additional £25 million would have been overwhelming if solely for his Team to deliver, however, the town and villages programme drew on most areas within the Regeneration, Economy and Growth directorate, with significant contributions from colleagues within Neighbourhoods and Climate Change and therefore the burden for delivery, for identification and scoping was shared across those areas. He added that moving forward there was comfort in having the resource to do so, together with regular contact with the Corporate Director and senior Members so that any issues in terms of capacity could be raised at an early stage.

Councillor P Sexton noted he was not dismissing the AAPs, rather he would note there were broader avenues that could be looked at. He asked as regards when a scoping plan would be available and when Chester-le-Street wi-fi would be rolled out.

The Economic Development Manager noted in respect of the scoping plan, he had indicated that there would be the two sessions with AAPs in identifying the plan for how the programme would be rolled out at a local level. He added that would be this year. He reiterated that the next full phase of wi-fi delivery included Chester-le-Street and it was hoped it would begin next month.

He added the contractor for the delivery of town centre wi-fi had furloughed staff last year adding to delays. He noted that prior to the pandemic there had been a change to the specification, as technology upgraded, and there had been a pause in order to ensure data collection was compliant with regulations. He noted he appreciated that discussions had been ongoing for some time, however, the process had led to a better system, relying on fewer access points and with better reliability and he hoped that shortly Councillor P Sexton and users of Chester-le-Street town centre would be benefiting from free town centre wi-fi.

Resolved:

- (i) That the information provided in the presentation and report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receives a further update on the progress of the programme as part of its 2021/22 Work Programme.

Councillors A Bainbridge and A Shield left the meeting at 11.16 am

8 Overview and Scrutiny response to the Minerals and Waste Development Plan Document and the Parking and Accessibility Supplementary Planning Document

The Chair asked the Overview and Scrutiny Officer, Diane Close to give details on the report relating to Overview and Scrutiny response to the Minerals and Waste Development Plan Document and the Parking and Accessibility Supplementary Planning Document (for copy see file of minutes).

The Overview and Scrutiny Officer thanked the Chair and reminded Members the consultation in relation to the Minerals and Waste Development Plan Document and the Parking and Accessibility Supplementary Planning Document closed 26 February 2021 and that Committee Members had received a briefing document in January in relation to the documents and responses had been requested by 29 January to feed into the consultation. She highlighted points relating to the Minerals and Waste Development Plan Document were set out at paragraph 17 onwards, and paragraph 21 onwards in respect of the Parking and Accessibility Supplementary Planning Document. She explained that Members comments received were set out within the report and that some Members had responded to say that they felt it appropriate for the Committee to receive and comment on the draft plans during the second consultation stage planned for June/July.

Councillor F Tinsley referred to the Parking and Accessibility Supplementary Planning Document, noting it was a very good document, however, he felt it had an omission in terms of electric vehicle charging point standards.

He noted there was information relating to new housing, however, he added that 40 percent of houses in County Durham were existing terraced properties and therefore, he felt, the document should provide a statement on how the Council would proactively and flexibly approach retrofitting electric vehicle charging points for those more difficult properties. The Overview and Scrutiny Officer noted the comments to be included in the response from the Committee. The Spatial Policy Team Leader, Peter Ollivere noted the comments and added Officers were looking at guidance on those matters, such as licences for cables, and therefore the guidance would be cross-referenced.

Resolved:

- (i) That the information provided in the report be noted.
- (ii) That the proposed response of the Economy and Enterprise Overview and Scrutiny Committee, which will be fed into the ongoing consultation process, be agreed.
- (iii) That Members of the Economy and Enterprise Overview and Scrutiny Committee and the Environment and Sustainable Communities Overview and Scrutiny Committee be included in future consultation stages in relation to both documents.

9 Quarter Two 2020/21 - Revenue and Capital Outturn

The Chair introduced the Finance Manager, Resources and Regeneration, Ian Herberson to speak to Members in relation to the Quarter Two Forecast of Revenue and Capital Outturn 2020/21 (for copy see file of minutes).

The Finance Manager referred Members to the information relating to Quarter Two 2020/21 with the service reporting a forecast underspend of approximately £1.032 million, against a revised budget of £53.449 million. He explained paragraph four of the report noted a forecast of COVID-19 related expenditure of £20.035 million, offset by COVID-19 related savings of £5.148 million with more detail being set out from paragraph 13 of the report.

As regards the Capital Programme, the Finance Manager explained that the lockdown had impacted upon the delivery of capital schemes, with the revised capital budget being £74.017 million with expenditure to 31 August of £22.626 million, marginally below the expected spend. Members were informed that detailed commentary as regards the revenue and capital budgets were set out within the appendices to the report.

Resolved:

That the report be noted.

10 Quarter Two 2020/21 - Performance Management Report

The Chair thanked the Strategy Team Leader, Gemma Wilkinson who was in attendance to speak to Members in relation to the Quarter Two, 2020/21 Performance Management Report (for copy see file of minutes).

The Strategy Team Leader noted the background in terms of COVID-19 and the emergency response to the pandemic since March 2020. She noted the report followed the usual format and followed the Council vision in terms of areas relevant to the Committee, namely: create more and better jobs, and support communities to be well connected. She noted the Corporate Director had updated the Committee on the impact of COVID-19 on business, culture and tourism within her presentation.

Within “more and better jobs” it was noted, in reference to the key question “do residents have good job prospects”, the Strategy Team Leader noted that there had been an increase in the claimant count, with a significant increase in those aged 16-24. Members noted around one third of those eligible under the Government scheme had been furloughed, though it was added that the latest Office of National Statistics (ONS) data suggested this had reduced to 15 percent. She added 150 jobs had been created at the new Morrisons at Dalton Park, with 1,000 permanent and 1,500 seasonal jobs created at the Amazon fulfilment centre at Integra 61, Bowburn.

In relation to the key question, “is County Durham a good place to do business”, it was noted that the 2020 town centre surveys were carried out during July/August after the national lockdown was lifted and it reported on the number of vacant units as well as how many appeared to remain closed due to the COVID-19 pandemic. It was added that the highest percentage of vacant units was at Spennymoor, mainly due to the re-development of Festival Walk and that the smaller towns showed lower levels of closures. The Strategy Team Leader explained that as a result of lockdown, many festivals and cultural events had been rescheduled or reorganised as online events where possible. Councillors noted an increase in terms of homeless presentations, with the main reasons being: financial difficulty; families no longer willing to accommodate; and non-violent relationship breakdown.

The Chair thanked the Strategy Team Leader and added that the doubling of the number of businesses engaged with by Business Durham was very good.

Councillor J Atkinson asked as regards the vacancy figures relating to Newton Aycliffe and asked if it was linked to higher rents or was due to other reasons. The Strategy Team Leader noted she would speak to colleagues and come back to Members with a response.

Resolved:

That the Economy and Enterprise Overview and Scrutiny Committee notes the overall position and direction of travel in relation to quarter two performance, the impact of COVID-19 on performance, and the actions being taken to address areas of underperformance including the significant economic and well-being challenges because of the pandemic.