



Better for everyone

**MINUTES**

<b>Meeting</b>	County Durham Economic Partnership Board
<b>Date of Meeting</b>	Wednesday 5 <sup>th</sup> May 2021
<b>Time</b>	13.00 – 15.00
<b>Venue</b>	Online via Microsoft Teams

**Attendees:**

Sue Parkinson (SP)	Acting Chair/Resources
Glyn Llewellyn (GL)	
Sarah Slaven (SS)	Business Competitiveness
Tim Hammond (TH)	Ideas and Innovation
Dawn Fairlamb (DF)	People
Ray Brewis (Ray B)	Durham County Council
Alison Gittins (AG)	Durham Business Group
Amy Harhoff (AH)	Durham County Council
Bill Fullen (BF)	Inclusive Growth
Reshma Begum (RB)	Federation of Small Business
Andy Bailey (ACB)	Partnerships, Durham County Council
Angela Brown (AB)	Partnerships, Durham County Council (minutes)

**Speakers:**

John Mcreadie (JM)	Ekos Ltd
Heather Orton (HO)	Durham County Council

**Apologies:**

Joanna Laverick	VCS Voice
Cllr Carl Marshall	Durham County Council
Joanne Waller	Durham County Council

**1. Welcome**

SP welcomed everyone to the meeting today. Apologies were noted and round screen introductions were initiated

**2. Minutes from the last meeting**

The minutes from the last meeting were agreed as a true and accurate record.

**3. Appointment of Chair – Introduction from Glyn Llewellyn – Sue Parkinson to introduce**

SP mentioned that she was delighted to be introducing Glyn Llewellyn to everyone. She mentioned this would be her last meeting as interim chair for CDEP.

SP informed the Board that the Chair post went out to advert and received more than one application for the post. SP, SS and AH had conversations with applicants, and it was their unanimous decision that Glyn could bring added value to the partnership and on that basis offered him the role and were delighted when he accepted.

GL said it was nice to meet everybody and mentioned that he would be observing the meeting today to see how things go. He mentioned he was CEO of Morton's Law in Sunderland, Seaham and Durham and also managing director of company called SRG Business Solutions Consultancy. Prior to that he was a non-executive director on a couple of companies in North and has spent some time developing companies, buying companies and selling them. Prior to this he was employed in a large corporate organisation. He expressed an intention that he and Board members would get to know each other as time goes on.

SP thanked GL

**4. County Durham Economic Review from John McReadie – Ekos Consulting – Amy Harhoff to introduce**

AH introduced the context of what JM has been doing for the County Council and mentioned that JM will discuss the early findings.

There is no Economic Strategy for the County and associated programmes and pipeline of both physical infrastructure and revenue projects. Despite that we have done a lot has been achieved over the last 10 years. The work which John will introduce is an essential piece of work for a number of reasons: it is critical externally in how we position ourselves; in how we communicate with businesses, partners and colleagues; it is critical to set out the stall regionally to ensure County Durham can articulate expectations as a county in terms of growth and how it will achieve that growth. It is also important as a County Council as this plan will drive the way which the County sets itself up to make sure we are in a position to work with partners, businesses and stakeholders to deliver that growth on the ground. In engaging with JM, AH had asked to take this work forward in sections, as to produce a meaningful document takes time, but this needs to be balanced against the need to articulate the position especially as we see the need to respond to different funding streams as they emerge. AH had asked for this in 3 phases, the first, which JM would introduce to this meeting, is a diagnostic piece - partners all have a good idea of what strengths,

weaknesses and opportunities there are in the economy but they are not articulated as a piece of work. JM will therefore look at where Durham is as a county and where the economy is. It is then expected that an Economic Statement would follow quite quickly from this piece of work, which was expected to be a short but firm piece on what the key messages and actions are. This will stop short of being a strategy and will need to hold this quite firm as it can start to become that. The Economic Statement will lay the foundation for the Economic Strategy and will keep us focused throughout the Economic Strategy on priorities. AH would then expect that piece of work to develop over the 12 months subsequent to the Economic Statement which we will expect to publish in the summer

John gave a detailed presentation to the Board on the Economic Review and agreed to share the slides.

#### *Questions/Comments*

It was felt that the presentation was very interesting and thought provoking. TH mentioned that JM's organisation is currently doing work for the University on one of programmes around innovation and new starts and accelerator programmes. Chris Kelly is working on that which has been seen as success on a national stage. He would offer support on the development of the Economic Strategy through JM engaging with Durham University in range of the key areas that were mentioned such as new starts, venture capital and anchor institutions. He would be keen to engage. The University are looking at new concepts of how to raise funds and how they develop things especially for Covid recovery.

JM had mentioned the need to encourage people to stay in Durham so having an appropriate, and diverse, housing offer could be the key to promoting that. He reminded the Board of the role that good housing offer can play in generating Economic Development and Housing Associations could be anchor institutions. In considering inclusive growth it is those smaller area considerations that we need to be thinking about, how do we make sure that people who aren't part of the employment market can work with those anchor institutions to promote employability.

It was asked if the presentation could be circulated so DF could share with Principal and Deputy Principal who would be delighted to connect with JM especially around Colleges' own strategies which has been developed regarding economic employment within the context of the overall college strategies and visions for the future. New College Durham has just developed the North East Institute of Technology which covers the whole of North East and is in Middlesbrough, Durham are the lead partner on this. Part of that agenda is digitalisation, the green economy and cleaner environment. Depending on planning permission they will be looking to extend buildings even further in developing Science and Health as a key objective and are working with the University Hospital in relation to that.

The Board expressed appreciation for the way in which JM presented as it makes it very clear what the challenges are - there are no real surprises in what was said, it was all things we were aware of but it was felt to be helpful in bringing it into sharper focus so we can look at things we as partners need to be doing collectively, maximising partner contributions.

SP concluded that it was refreshing to hear the way that the anchor institutions and the public sector were described. The opportunity to "sweat the assets" is something that could be further explored and exploited. SP particularly liked the idea that what we have got here is a statement. It was useful to remember that it is just that – a statement and is but the first step on a journey to move that into a fully developed strategy. Government is giving us tools in the box already to implement a strategy, e.g. we currently have Community Renewal Fund opportunities. The role of the Statement is therefore important so that we as partners are familiar with this direction of travel, thus ensuring that opportunities as they become

available are deployed by all partners towards a common direction. SP made the point that opportunities and needs are sometimes viewed as contradictory, but she felt otherwise - . Opportunities need to be maximised but in a way that meets the needs of our residents, which are themselves many and varied.

AH felt this was useful feedback in taking this forward and proposed that this now becomes a standing item on Board agendas for the next 18 months as the Strategy is developed, but also that bi-lateral conversations would be ongoing AH proposed that at the next meeting the Board unpacks in more practical detail how the strategy is going to develop and considers what engagement looks like in a really meaningful way so all partners can get behind this as something that has been co-developed. Finally, the Board was reminded of the need to make sure we don't lose sight of the priorities within the County Durham Vision and are delivering on those.

### **Actions**

- **AB to circulated presentation to Board**
- **Add to forward plan for agenda item at next meeting**

### **5. UK Shared Prosperity Fund/Community Renewal Fund – Sue Parkinson**

SP mentioned she had circulated a paper on this agenda item which will provide background on what partners have been doing to prepare for UK Shared Prosperity Fund and particularly the utilisation of the short term fund which is the Community Renewal Fund.

The next steps are where she would like to focus Boards attention:

SP asked if people were comfortable with the approach she had outlined? If so, would like members to sign up to this as organisations. The Board agreed this.

SP mentioned what she would like to do is to use some of the Economic Board time to start looking at the development of the Strategy which she has already spoken about and there is also have a massive opportunity with Shared Prosperity Fund which will be available from beginning of April 2022. We have an opportunity now to start lobbying and to make our views felt so we will end up with something we can work with, using our collective voice to good effect in terms of making sure that what comes out of that fund is appropriate to deliver against the emerging Strategy. The Board agreed

SS mentioned the importance of partnership in lobbying. The Community Renewal Fund is working on similar timescale to the Levelling Up fund and the Local Authority must select bids up to £3m for projects that can be delivered before end March 2022. We have circulated to all of the partnership information on how to put forward ideas and offered the Partnership as a vehicle for collaboration, given that it is challenging for everybody to come up with proposals that are the right size that meet the criteria and can be delivered before March 2022. A lot of work is going on with partners to try bring forward some sensible bids to use the money for good affect for County Durham and also to pilot some of the things we would like to take forward in the future. The amount of funding available through the European Programmes has been critical to the County and to the work we have been doing in recent years and we must make sure that we input thoughts on how we want that to be organised for the future - pulling together as a partnership to be taking forward the Economic Strategy. It is intended to report back to the partnership on what the bids we will take forward from the County once they have come in and been selected through the process.

SP concluded that we do as a Partnership have a UKSP Working Group which is responsible for the document that was circulated and where a lot of the detailed discussion

that will inform this Board as to where we would recommend we put our lobbying activities. It is important that we do so, we have been the beneficiary of EU Funding for a number of years now and did a lot of work to make sure Durham was had transitional status which meant we had a ring-fenced allocation that had to be spent in County Durham which has been a massive benefit to us. No such opportunity appears to be likely to exist with UKSPF so we need to make sure that whatever we are proposing and whatever the UKSPF will allow us to propose will meet our needs.

**Action:**

- **The Board agreed they were comfortable with the next steps and agreed to sign up to this as organisations**

**6. Levelling Up fund – Heather Orton**

HO gave a detailed presentation to the Board, which discussed the background to the Levelling Up fund, prioritisation, and next steps in taking this forward

*Questions/Comments*

RayB gave additional information – the White Paper on levelling up isn't restricted to the Levelling Up Fund there is a lot of recovery activity going to be tied into this. Further details on the current round of funding have come out over last few days, which means that this is an extremely tight funding round and thus it is expected that a lot of projects which will be submitted will be ones that had been worked up for other funding streams and which had now been drawn into the Levelling Up Fund, particularly transport. Disappointingly we have been involved with Green Book value methodologies and how certain aspects of the Green Book disadvantage places like ourselves that have low land values. Whilst the things we have been arguing for have been recognised and some value is being ascribed to innovation and leisure and other activities, high land values will still be a major consideration so this needs to be borne in mind when we pull that together.

SP asked that, as the first round was due in 18<sup>th</sup> June, have we any idea what is going into it? HO advised that the decision had not been made yet but that a shortlisting exercise to see what is feasible to get ready for the tight deadline was being carried out. The focus could be around Transport. Options for phase 1 could be very different to other phases as Phase 1 will be looking at shovel ready projects. RayB mentioned that the guidance list relevant stakeholders that they need to work with for different projects.

**Action:**

- **AB to circulate presentation**

**7. Climate Change Board and Task Group – Sue Parkinson**

SP informed the Board that the County Durham Partnership has now set up a couple of Boards under the Climate Change agenda. She reminded the Board that the Business, Enterprise & Skills Group has been quite vocal that there is a crucial role in this agenda for our businesses. She had been asked to do a presentation to both Boards, and shared the slides to get views from the Board to make sure they agreed that messages were appropriate, as she is the representative of CDEP Board on these Boards. She also

mentioned that the County Durham Partnership Board will be having this whole agenda as the substantive item at its next meeting and so hoped that the Economic Partnership could play a role in that, highlighting that the economy and climate change were not in opposition to each other, but were symbiotic.

#### *Questions/Comments*

DF - With the Institute of Technology and other developments in the College regarding the training for the green economy which is key part of what they do, it might be useful at some point to catch up with the team that are involved with that. There is a director of the Institute of Technology who would be the appropriate person, bringing in input from other FE colleges, that could give direction of travel to align. SP would like this to be pursued.

TH- JG leads Durham Institute one of real strengths of Durham University is its expertise in energy in which they are globally leading. The assets we have as a region need to be working closely together to support the region. Hydrogen and geothermal are two areas which are important regionally and there are ambitions for the University to be raising substantial funds and developing strong strategic assets within region. Understanding what Net Zero means is something that is increasingly becoming recognised and the University is developing a CPD offer in that space and talking to a lot of businesses about what Net Zero means for them and how can develop that, for which there is a lot of interest.

The City of London is really interested in working with the North East around finance provision for sustainable growth, and is speaking to TH, NorthStar and NELEP, with a view to building a bridge for people to speak to us about investment. TH would like to bring this back to the Board at a future meeting.

AB mentioned that the County Durham Partnership Event will be half day's engagement event in October themed around Climate Change but cross cutting with other partnerships and they are looking for suggestions for guest speakers for that event. The University offered to support this and SP mentioned it might be worth speaking to Adam Black from Lanchester Wine as he would bring a very interesting business perspective.

#### **Actions:**

- **AB to share slides**
- **A meeting to be arranged between SP and Director of Institute of Technology**
- **TH would like to come to future meeting to discuss Finance Provision for Sustainable Growth**

## **8. Update Chair/Partner**

### *Business Durham*

Sarah Slaven – SS advised that they have experienced a good year for the property portfolio and, despite Covid, they have had higher occupancy across our property portfolio than our target, some of which has been driven by high demand for NETPark. For the first time since NETPark was developed we in position where all the space is either occupied or reserved by businesses. Really important for us that we move forward with our next phase which relates to creating some grow on space for some of those businesses. It was also noted that Durham University has the University Enterprise Zone at NETPark. Indications are that there are a good number of business that are doing trading well in the County and showing good signs of recovery.

Business Durham launched the Business Recovery Grant fund of £5m and closed the fund to new applications on Friday 30<sup>th</sup> April. In total we have had 786 applications requesting total of £12.2m against a budget of £5m so Business Durham is in the process of assessing all applications and has awarded £2.6m to date to 1498 businesses. Some applications are being held on a reserve list and others were rejected as they didn't fit with the scheme or needed reworking. There is sense that businesses are looking forward and know what they need to do to recover.

### *FSB*

Reshma Begum - The FSB have issued a couple of reports recently. Every quarter FSB run a small index survey of our members which measures business confidence, intentions of growing, and other such aspects. So, at Q4 of 2020 the results were quite troubling and showed a low level of confidence across the region (which covers NE, Yorkshire, and the Humber). The Q1 results were really positive and showed almost half of businesses surveyed intend to grow their business over the next 12 months and a third of businesses intend to invest, which highlights positivity, despite the difficulties businesses have faced over the last 12 months. They are looking forward to the future and considering how they can rebuild and build back better and how they can grow.

The Green Agenda is something that is very high up on FSB priorities and is also reflective of that of our members. FSB is putting together an Environment Hub which will be a central point of contact for all our members to access and will act as a knowledge hub and resource hub for businesses to go to find out what they can do, how they can contribute and what resources are available to them in order to contribute to the green agenda and to make their business more environmentally impactful.

### *Believe Housing*

Bill Fullen - we have refinanced and raised £216m which will be reinvested in County Durham 1215 new builds by 2026, investment in decarbonisation, investment in communities and employability. In raising the money, we negotiated with the funders that if we deliver on environmental targets, social targets and governance targets we will get reduction on interest rates over the term of the loan which focuses attention on these targets.

### *Business Group*

Alison Gittins – There is still good demand for registered office addresses mainly among start-ups. Meeting rooms at Portland House are fully booked for the first time since Covid which demonstrates that things are definitely looking better. A lot of tenants will be waiting for 17<sup>th</sup> May to see what will be announced before returning to the office. They are now at week 3 of a series of workshops we are running partnered with Supply Chain North East (RTC North), which have been really well received and have 30 members registered onto the programme and had almost full house on Zoom attendance, covered social media, wellbeing and resilience and are doing sales and business growth.

### *New College Durham*

Dawn Fairlamb – Dawn referenced the Skills Accelerator programme for local schools and their engagement with NECC and employers which, as part of their employment forums are a key element to taking our vision forward for the college. They intend to approach a number of organisations and employers to be part of those groups. DF advised that the

college is a pilot for the Strategic Development Fund, which is a collaboration with the Colleges and employers. She also referenced the College Collaboration fund, where colleges are looking to come together to look at improvement  
The Institute of Technology will be offering level 4 and 5 technical qualification from September.

Events in Colleges have not been available due to Covid but they held a 6<sup>th</sup> form open event recently and also held an advice and guidance open evening. They are now looking at transition and schools from year 10 and 11 are now coming on site so they can look and try out facilities, with good attendance. The College is working well with Durham Works and getting several referrals through.

### *Durham University*

Tim Hammond – announced the appointment of the new Vice Chancellor Karen O'Brien from Oxford University, who will be in post in January, Stuart Corbridge will be stepping down in July so there will be interim Vice Chancellor for 6 months.

Orbit – making progress and will open with incubator facilities and they are experiencing good levels of interest from companies looking to engage with and access this. Tim referenced a pleasing report recently in the Daily Telegraph which pointed out to exemplar activity in the North East with spin outs and start-ups, which is now being more widely recognised.

## 9. **Any Other Business**

DF mentioned that a company called Core House that have located to Seaham were closely involved in new build and the green agenda. The Managing Director is Scott Bibby.  
SS mentioned that Core House, a modular house building company, were the 2<sup>nd</sup> tenant at Jade Business Park.

GL will take over as Chair at the next meeting of the Board but needed the date to be re-arranged from 7<sup>th</sup> July

### **Action:**

- **AB to speak to GL about changing date**

## 10. **Date and Time of next meeting** – to be advised