

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Remote Meeting - held via Microsoft Teams** on **Thursday 25 March 2021** at **9.30 am**

Present:

Councillor M Clarke (Chair)

Members of the Committee:

Councillors E Adam, J Atkinson, A Batey, R Bell, R Crute, S Dunn, D Hall, T Henderson, J Higgins, R Manchester, R Ormerod, E Scott, P Sexton, M Wilkes and M Wilson

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors B Bainbridge, J Charlton, C Hampson, I Jewell and H Smith

1 Apologies for Absence

Apologies for absence were received from Councillor S Iveson.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes of the meeting held 23 February 2021

The minutes of the meeting held 23 February 2021 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 DurhamWorks Programme - Youth Employment Initiative

The Chair welcomed the Strategic Manager - Progression and Learning, Linda Bailey, who was in attendance to provide the Committee with an update presentation in relation to the DurhamWorks Programme - Youth Employment Initiative (for copy see file of minutes).

The Strategic Manager - Progression and Learning referred Members to the slides within the agenda pack and noted that DurhamWorks programme had been operating since December 2015, a £29 million programme funded through the Youth Employment Initiative (YEI), European Social Fund (ESF), Durham County Council (DCC), and match funding from external Delivery Partners. She explained the aim was to support 9,303 young people who were unemployed, aged 16-24, into education, employment, and training. She noted delivery was in local communities within the County with the programme due to end in December 2021.

The Committee were informed that the DurhamWorks model focussed on the individual, targeting those with additional vulnerabilities and that the Council and its Partners provided one-to-one individualised support, over the long-term if necessary. The Strategic Manager - Progression and Learning noted there was a range of activities to help young people develop their confidence, emotional resilience, and employability skills. She noted the importance of working with employers to create employment and work experience opportunities and also Sector Routeways. Members were asked to note a slide setting out a list of delivery partners and it was explained there was also a number of sub-contractors delivering activities for the programme.

The Committee were referred to a video highlighting the positive support and assistance ten young people had received from the DurhamWorks programme.

The Strategic Manager - Progression and Learning explained the impact of COVID-19 on the employment prospects and wellbeing of young people had been well documented. She noted that in County Durham there had been 4,290 young people aged 18-24 claiming Universal Credit in January 2021, an increase from 2,865 in January 2020. She added that the vast majority of support had been provided virtually during the pandemic, with DurhamWorks advisors providing support via the telephone, text, e-mail, WhatsApp, Zoom. She noted some social-distanced doorstep visits and limited face-to-face activity with some highly vulnerable young people.

Members learned that Sector Routeways had continued to be delivered in warehousing, construction, ICT and the health and wellbeing sectors. The Strategic Manager - Progression and Learning noted the use of podcasts and blogs to help keep young people engaged and positive.

The Strategic Manager - Progression and Learning noted the work with JobCentre Plus (JCP) and the National Careers Service in support of the Government's Plan for Jobs that was launched in July 2020, delivering intensive youth support on behalf of JCP and establishing virtual youth hubs involving JCP and other partners from within the county. Members were asked to note the Kickstart Gateway, the creation of six month job opportunities for young people.

The Strategic Manager - Progression and Learning noted that despite the efforts of the Council and its partners, the willingness of young people to engage during lockdown had been impacted and their wellbeing had been badly affected. She added therefore there had been a significant decline in the number of young people joining DurhamWorks. She highlighted that, since the end of 2020, it had been more difficult to reach out to young people and this had then had an impact in terms of performance and the progression of young people into employment. She explained that as a result of that impact, a project change request was submitted to the Department of Work and Pension (DWP) to reduce the targets for the programme. The Strategic Manager - Progression and Learning noted the Council had been reluctant to do so, wishing to help as many young people as possible, however, she felt the revised targets were conservative, with the target to support 9,303 young people into employment, of which 83 percent would complete the programme and of those 74 percent were projected to progress. She added the conservative approach was to ensure no financial impacts upon the programme and reminded Members of the high progression rate into employment of those that had completed the programme, currently at 68 percent. The Strategic Manager - Progression and Learning noted the 568 grants provided by DurhamWorks to employers to encourage them to take on a DurhamWorks young person. She added the grants could be used to pay for up to 50 percent of a young person's salary cost and added the grants would be available up until the end of April 2021.

The Committee were reminded of the significance of the DurhamWorks programme, ending in December 2021, and the Strategic Manager - Progression and Learning highlighted the additional funding in place to support unemployed young people following the end of the main DurhamWorks programme. She noted that £10 million additional ESF monies had been attracted and would support around 6,300 young people aged 15-24 who are at risk of NEET, with this programme running up to the end of 2023. She added that the programme would operate within County Durham schools. The Strategic Manager - Progression and Learning noted work with around 900 young people age 15-16 supporting their transition into education following leaving school.

She explained that after the end of the DurhamWorks main programme, the Council would utilise that funding to operate a programme that would be similar to the main programme, however, less intensive in terms of the support that could be offered due to the reduced level of funding available.

The Strategic Manager - Progression and Learning explained that the Council had been successful in securing £3.6 million of ESF funding to create a supported employment service in County Durham. She noted the aim was to support 900 young people, aged 18 and over, with significant learning, physical and mental health difficulties with that programme planned to run up to December 2023.

Members were asked to note the Council was awaiting information as regards the results of two further bids, one for a further £4 million of ESF funding. It was added that the Council had reached the third stage of the Youth Futures Foundation bid for £4 million of funding to support a very specific cohort of young people on employment pathways with this programme, should the bid be successful, running up to 2025.

In relation to priorities and next steps, the Strategic Manager - Progression and Learning noted the Council was awaiting the next stage of the DurhamWorks evaluation, with an interim report due shortly and the final report due November 2021. She noted importance of offering as many employment opportunities for young people as possible in the last nine months of the programme with the creation of new Employer Engagement team, marketing campaign, delivery of Kickstart, and development of new Employment Hubs.

The Strategic Manager - Progression and Learning concluded the presentation by referring Members to a video illustrating the story of a young person who contacted DurhamWorks, worked with the RAW IT academy and had successfully secured an apprenticeship.

The Chair thanked the Strategic Manager - Progression and Learning and asked Members for the comments and questions.

Mrs R Morris asked as regards the DurhamWorks interim evaluation report and whether a copy could be forwarded to the Committee. She referred to paragraph 22 of the report in terms of employment opportunity areas and asked how the list of areas was arrived at, and how confident the Strategic Manager - Progression and Learning was in terms of those areas being 'jobs of the future'. Mrs R Morris noted the reference to the employer engagement group and emphasised the importance of DurhamWorks being 'joined up' in terms schools, employers, and apprenticeships. She asked if there was a group that had all of those areas represented and involved so that the transition to work was much more secure.

Mrs R Morris explained she was very pleased with the several references within the Durham Plan to impartial careers advice from an early age and noted she appreciated the difficulties faced over the last year and added she valued the work that had been delivered. The Chair suggested that the Committee request a copy of the Stage 2 Interim Evaluation report and asked the Strategic Manager - Progression and Learning if that could be arranged.

The Strategic Manager - Progression and Learning noted she would share the evaluation report once available. She noted that in terms of sector routeways and the employment opportunities there was a strategic group, which oversaw the operation of DurhamWorks and included a range of partners such as Business Durham, the County Durham Economic Partnership, JCP, the Careers Service and the voluntary sector. She added that the sectors were determined through both the COVID-19 response within DCC and informed by members of the strategic group, many of which were working with businesses in the county. She added that sector routeways were only paid for through DurhamWorks when utilised and there was a range of activities, and those areas that were not successful would not be progressed.

Mrs R Morris noted sales and retail as perhaps areas that may not be a secure path in the future and noted that employers were not mentioned in terms of the strategic group. The Strategic Manager - Progression and Learning explained that while employers were not on the strategic group directly, Business Durham was on the group and she added that there was lots of work with employers including with the Federation of Small Businesses (FSB) and the North East Chamber of Commerce (NECC) to understand what opportunities were available and to promote DurhamWorks. She added that DurhamWorks continued to work with many of the 600 businesses that received grants and that helped in being able to understand demand. She noted an example of one employer, Tiny Tots who had contacted DurhamWorks eight times to help in the recruit process by identifying suitable young people.

The Chair noted the lower targets as a result of COVID-19 and asked when the target would be reviewed and whether there was an aspiration to have numbers return to the previous target levels. The Strategic Manager - Progression and Learning noted the programme had been on track and there was a desire to help as many young people as possible. She added that there were quarterly submissions to the DWP, and performance was reviewed against profile on a monthly basis. She explained she was hopeful that as the economy picked up, DurhamWorks would be able to share more opportunities with young people. She noted there may be success in getting more young people on to the programme, especially with initiatives such as the Kickstart Programme facilitating six month paid work for young people and the youth hubs activities.

In response to a question from Councillor E Adam relating to the impact on performance of the programme as a result of young people lacking access to IT equipment and broadband, the Strategic Manager - Progression and Learning noted that DurhamWorks were able to buy Chromebook laptop computers, with appropriate safeguards, and deliver them to young people during the pandemic.

She noted there had been some delays, however, equipment was being delivered to young people and added that internet dongles had also been provided to help young people engage with the service. The Strategic Manager - Progression and Learning noted that there were around 80 laptops on order, with the team all working to get the required resources out to the young people.

Councillor I Jewell asked as regards maximising and measuring progress and the long-term monitoring of young people moving into employment. The Strategic Manager - Progression and Learning explained that in terms of challenging performance, a monthly performance group looked at area based targets, team and advisor targets and progress was also reviewed in terms of interventions. She added that a team of Contract Officers worked to ensure sub-contractors' and delivery partners' performance was in line with expectations and confirmed that the performance management system in place was rigorous and had been refined and enhanced throughout the operation of DurhamWorks. The Strategic Manager - Progression and Learning noted in respect of long-term monitoring, DurhamWorks tried very hard to keep in touch with young people when they had progressed into employment, university, or a long-term education programme, however, it was not always possible. She noted that during the first phase of DurhamWorks, of those young people supported by DurhamWorks grants and were subsequently tracked, 73 percent were still in employment one year after the grant had ended. She explained that was considered to be a success and added that the DurhamWorks programme had been subject to national evaluation and it had been noted that YEI programmes had higher sustained employment outputs than any other ESF funded programme.

Councillor J Charlton asked as regards the sustainability of the grant funded opportunities, whether employers would look to take on young people into employment once the grant period had ended. She noted that in areas such as retail many of the positions were part-time and asked if employers were using young people as cheap labour and whether the jobs at the end of the grant periods were full-time or part-time. The Strategic Manager - Progression and Learning noted she shared the concerns as regards sustainability and noted measures to prevent employers who were already going to employ a young person from accessing the grant. She noted that if an employer approached DurhamWorks with an opportunity, or a member of the employer engagement team identified an opportunity, then they would work with the employer to identify a DurhamWorks participant who suited the requirements of the employer and needed that opportunity.

She added that employment could end at the end of a grant, however, she reiterated the data as regards those young people who had sustained their employment and suggested there was evidence that there was sustained employment. The Strategic Manager - Progression and Learning noted that an area she had asked to be included within the evaluation was the additionality that the grant was bringing in terms of employment prospects for young people.

In terms of young people moving on to be employed full-time or part-time, the Strategic Manager - Progression and Learning noted it was usually 30 hours or more, though she would look to provide some additional information for Members in that regard.

Resolved:

- (i) That the information provided in the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes a further progress report on the remaining DurhamWorks Programmes in its 2021/22 work programme for December 2021 together with the key findings from the final Phase 2 Evaluation Report of the YEI DurhamWorks Programme.
- (iii) That the Economy and Enterprise Overview and Scrutiny Committee receive a copy of the Phase 2 Interim Evaluation Report of the YEI DurhamWorks Programme.

7 EU Funding - Update

The Chair introduced the Funding and Programmes Manager, Claire Williams who was in attendance to provide the Committee with an update report in relation to European Union (EU) Funding (for copy see file of minutes).

The Funding and Programmes Manager noted she would explain as regards the current funding position and also what replacement funding may be put in place after the current funding period ended. Members were reminded that EU funding had provided a significant investment into County Durham, supporting the economy, businesses, innovation, low carbon measures and increasing skills and improving employability.

The Funding and Programmes Manager explained that County Durham was a "Transition Region" and had its own ring-fenced allocation of structural funds of £155 million. It was added that this was split between just over £86 million European Regional Development Fund (ERDF) and approximately £69 million European Social Fund (ESF). The Funding and Programmes Manager noted the County had benefited from two LEADER programmes funded through the EU's Rural Development Programme, adding that those programmes had closed with the funding of £4 million having been fully committed.

Councillor J Charlton left the meeting at 10.10am

The Funding and Programmes Manager added that County Durham had also benefited from a share of the region's Rural Growth Programme of £105 million.

It was explained that following the referendum in June 2016, the Government guaranteed funding for existing EU programmes. The Funding and Programmes Manager noted that represented a 'business as usual' position, and therefore work had continued with partners to develop project applications and, where possible, extend existing projects in order to maximise funding before it ended in 2023.

Members were referred to tables within the report detailing the current spend position and were asked to note the significant amount of work undertaken to commit ERDF, with approximately £76 million committed to projects. She noted that spend was almost fully committed across most of the investment priorities, including £18.5 million to deliver innovation and research development projects and over £42 million supporting the competitiveness of local businesses. The Funding and Programmes Manager noted an underspend in low carbon, explaining there had been attrition in the application phase of projects and that, overall, there was a balance of £10.5 million. She noted that any residual funds would be pooled nationally, and the focus of those funds was towards the response to COVID-19, with new calls via ERDF supporting the visitor economy and high streets. She added that DCC had received an allocation of just under £500,000 providing 100 percent funding to support the high street and other public places to reopen safely. She noted any residual funds were expected to focus on the economic recovery from the pandemic and a new 'Welcome Back Fund' had been launched which would help Councils boost tourism and improve green spaces in light of the reopening, with details expected soon. It was added that the figures through the national reserve fund were not included in the table within the report.

In respect of ESF, it was explained that against the allocation of £63 million the county has currently contracted £50 million, including projects that had received their grant offer letter or opt-in activity that had been approved. The Funding and Programmes Manager noted a further sum of approximately £20 million in commitments securing additional funding, as explained by the Strategic Manager - Progression and Learning within the DurhamWorks presentation. It was explained that, taking all commitments into account, there was delivery of around £70 million pounds of ESF activity to support employment and skills and there was a recent call for YEIs with Durham submitting a bid for a further £3 million to extend the DurhamWorks scheme. Members noted that there was no residual ESF in Durham and that at a national level any remaining funds would be pooled and distributed at a national level, focusing on the recovery from COVID-19. The Funding and Programmes Manager noted further calls in spring and therefore Durham may have a further opportunity to benefit from ESF and maximize that opportunity.

The Funding and Programmes Manager noted DCC had responded to the opportunity of EU funding and was the applicant for a significant number of projects, as set out in Appendix 2 of the report, 21 projects worth a total of £71.3 million. She added Appendix 3 of the report listed other ERDF projects that had been delivered within the county. The Committee were asked to note that given the benefits the county had in terms of EU funding, it was vital to look ahead at securing replacement funding and it was explained that the Government had announced that EU structural funds would be replaced with a UK wide Shared Prosperity Fund (SPF).

It was explained there were only limited details in terms of the operation of the SPF, however, key heads of terms were released as part of the Spending Review in 2020, and Government intended to use the SPF to target those areas most in need such as deprived towns or rural coastal communities. It was added that there would be two parts, an employment and skills programme to improve employment for those out of work and a place based programme targeting those areas of need, providing investment to people, place, and business.

The Funding and Programmes Manager explained that the Government had committed to the total amount of funding across the whole of the UK at least match what was currently obtained through EU receipts, although details of allocation had not yet been received. It was added that Government noted they would publish an Investment Framework in spring 2021 however, it was likely that would now be summer, with the amount of funding to be announced in the Spending Review around September 2021.

It was noted that recent research had shown that had the UK remained within the EU, County Durham would have been classed as a 'less developed region' and this potentially could have meant more money for the county. The Funding and Programmes Manager explained it was estimated, based on the amounts per capita that current less developed regions received, County Durham could have more than doubled what it currently received to at least €300 million in the next programme. She added that therefore it was key that under the new UK SPF that County Durham continued to have a protected allocation of funding which at least matched what would have been received under the next EU programme period. She noted it was also important that funding was in addition to existing national regeneration funding, rather than as a replacement for it. It was explained that there was also a need to ensure that the allocation was based on need rather than through a competitive process and that it would be preferable that the process was less bureaucratic and that there was local control so that the decisions around funding was held at a local level.

The Funding and Programmes Manager explained that in the interim, before the UK SPF was rolled out in 2022, the Government had recently launched a UK Community Renewal Fund with details having been provided in the Budget.

It was added that it would provide £220 million for the whole of the UK to spend in 2021/22. It was noted it was aimed to help move away from EU funding and prepare for the rollout of the SPF by piloting new approaches and new programmes.

It was explained that 100 Local Authority areas had been prioritised for the funding according to a new index of economic resilience, with County Durham identified as one of those 100 areas. The Funding and Programmes Manager noted that did not mean a guarantee of funding, or an indication of how much, however it would be taken into account as part of the assessment criteria. She explained bids of up to £3 million could be submitted under four key themes around: investment in skills; investment in local businesses communities; investment in place; and supporting people back into employment.

The Funding and Programmes Manager noted a lead body for each area had been identified and for County Durham this was the County Council, with lead bodies being responsible for inviting applications forward through an open bidding process and to encourage all stakeholders to apply. It was explained that a lead body had to appraise and prioritise applications and submit a short list to Government by a deadline of 18 June. She noted it was anticipated that Government would announce successful projects from late July onwards.

It was noted that within the recent Budget, the Chancellor had announced details of a new 'Levelling Up Fund' and while not related to the replacement of EU funding it represented a significant amount of up to £4 billion for England. The Funding and Programmes Manager noted a proposal could be submitted up to a total of £20 million, or up to £50 million for transport schemes, for one project or for a package of up to three projects. She noted each area could submit one proposal in total from each of the parliamentary constituencies within its area, equating to six for County Durham. It was noted the deadline for the first round was 18 June and priority in that round would be given to spend that could be delivered within the financial year 2021/22. Members noted there would be future opportunities to bid in subsequent rounds for delivery up to March 2024, with three main priority areas for funding: investment in transport; regeneration and town centres; and cultural and heritage assets. The Funding and Programmes Manager noted it would be important to look coherently at the whole county and how the Council engaged and supported stakeholders in the process. She concluded by noting Appendix 4 to the report contained a summary of the criteria for the Levelling Up Fund and Community Renewal Fund.

The Chair thanked the Funding and Programmes Manager and asked Members for their questions relating to the report, noting the pre-election period.

Councillor R Crute, Chair of the Corporate Overview and Scrutiny Management Board noted he had a couple of concerns. He noted two points, firstly a need to have more information relating to the investment framework as it would be important to not only ensure County Durham had at least as much funding as it had previously received, but also to ensure there would be at least as much allocated to County Durham as it would have received had the UK not left the EU.

He added that while the quantum of funding was important, he thought it was equally important that the governance arrangements were also right. He explained that he had concerns as information was not forthcoming on the subject and noted developments earlier in the week with Government having announced the demise of the Industrial Strategy Council. He noted he was concerned that framework could be applied to the UK SPF adding that, along with centralisation of funding through the Treasury, if governance arrangements were taken away from local areas he felt that there could be serious concerns regardless of the amount of funding County Durham received. Councillor R Crute noted it was not known when more information on the governance arrangements for the SPF would come forward, however, he looked forward to seeing the investment framework which he understood was delayed from spring to summer.

The Funding and Programmes Manager agreed in terms of the importance of having not just the amount of money that the county would have received, but also details of the governance arrangements. She noted the important in terms of where the decision-making was held but also of the benefit that a ring-fenced allocation for County Durham had provided through the current EU programme. She explained that the ring-fenced allocation had meant that Deliverers had to take account the local needs and the differences within County Durham which had not been the case previously. She noted that when Providers delivered within County Durham, including cross-boundary activity, they needed to take account of local circumstances. The Funding and Programmes Manager noted that it would be important to ensure there was that recognition of that within the roll out of the SPF and that there was a decision-making process with local control. She noted further details were expected to be included within the investment framework as regards delivery arrangements, with it being hoped there would be more information in the summer.

Mrs R Morris referred to paragraph 23 of the report which set out information as regards what the county may have received in terms of funding had the UK remained in the EU and asked if there was a 'Plan B' if the amount of funding received was not at those levels. The Funding and Programmes Manager noted in looking at how the economy had been impacted by COVID-19, there was work ongoing to develop a new economic strategy for the county and that would set out the framework and the priorities that the county wanted to fund. She added that there would then be a need to look at where different investment may come from, not just through the SPF but through other investments that could then align them to the delivery of that economic strategy.

Mrs R Morris noted areas to be considered included those relating to climate change/mitigation, with there being many economic opportunities within that area that could help to employ people.

Councillor J Atkinson referred to the new Levelling Up Fund, £4 billion for England and asked what the figures were for the UK. The Funding and Programmes Manager noted it was £4.8 billion for the whole of the UK and £4 billion for England.

Resolved:

- (i) That the content of the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee support the principle for County Durham to continue to make a case for the maximum allocation of funding from the UK Shared Prosperity Fund, which at least matches what it would have received under the next EU programme, and that the Fund is allocated on a needs basis, flexible in nature and locally controlled.
- (iii) That the Economy and Enterprise Overview and Scrutiny Committee receive further reports as the programme continues as part of the 2021/22 work programme.

8 Regeneration, Economy and Growth - Quarter Three: Forecast of Revenue and Capital Outturn 2020/21

The Chair introduced the Finance Manager, Resources and Regeneration, Ian Herberston to speak to Members in relation to the Quarter Three 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 Three 2020/21 with the service reporting a forecast underspend of approximately £1.761 million, against a revised budget of £55.018 million. He explained paragraph four of the report noted a forecast of COVID-19 related expenditure of £17.227 million, offset by COVID-19 related savings of £6.148 million with more detail being set out from paragraph 14 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 £69.211 million with expenditure to 31 December of £42.097 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.

In response to a question from Councillor E Adam relating to the overspend of approximately £342,000 for Derwentside Culture and Sport, the Finance Manager explained that the service was one the Council had taken over the management arrangements a couple of years ago. The Finance Manager added that when the service was brought in-house, the Council had not been able to deliver the service as intended and work had been undertaken to streamline as much as possible. He noted there would not be that issue going forward as additional funding had been secured via the Medium Term Financial Plan (MTFP). He explained that in 2021/22 it was recognised that as the service was brought in-house, to continue service delivery the additional costs incurred had been taken into account. He reiterated that going forward it would not be an issue, however it had been a challenge and was now rectified in the latest round of the MTFP.

Resolved:

That the report be noted.

9 Quarter Three 2020/21 - 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 Three, 2020/21 Performance Management Report (for copy see file of minutes).

The Strategy Team Leader explained that performance needed to be considered against the backdrop of the COVID-19 pandemic and the emergency response that the Council and partners had been delivering since March 2020. She explained the performance report was structured against the four ambitions of the Council Vision and the Council Plan and that for the Committee the focus was on the 'more and better jobs' and 'connected communities' ambitions. She noted the report provided details of employment levels and take-up of the various government support schemes, with the employment rate being 71.6 percent at September 2020, remaining relatively static in comparison to the previous period. It was added that due to the Government support packages in place the impact of the pandemic on the employment rate had yet to be seen.

Members were asked to note that the claimant count had also remained static in December at 6.1 percent following an initial increase seen at the start of the pandemic and was reflective of the trend regionally and nationally. The Strategy Team Leader noted that in December, 11 percent of eligible employments were furloughed which equated to 22,600 jobs in comparison to 15 percent in July 2020, with the latest data for January showing a level of 13 percent, an increase of approximately 6,000 employments. She noted it was likely to increase further with the most recent lockdown and Members would be updated as part of future performance reports.

The Strategy Team Leader noted the previous presentation relating to DurhamWorks had alluded to the impact in terms of the delivery of employability programmes from COVID-19, with some reluctance in terms of engagement due to concerns about the pandemic, diminishing job opportunities impacting on people's motivation to actively look for employment, and JCP currently not mandating participants to engage. She noted that there had been some successes in those programmes during the quarter, particularly in relation to participants becoming self-employed or moving into sectors that were experiencing increased demand, such as food retail and delivery drivers.

In reference to the question 'Is County Durham a good place to do business?', the Strategy Team Leader noted the report contained details of the amount of grant paid in relation to the Government's Business Grant Schemes, with 100 percent of the grant having been allocated. She noted that the report also detailed the £5 million Durham Business Recovery Grant which the Council had established, with the fund anticipated to support over 800 businesses and safeguard more than 1,700 jobs.

It was explained that footfall within Durham City continued to be significantly below average levels seen for the period, with the impact being seen equally across the daytime and night-time economies. Members noted the delivery programmes to support business improvements continued to be impacted by COVID-19 restrictions, with Council staff being unable to undertake site visits or clients being unable to secure tradesmen or confirm dates for works.

The Strategy Team Leader noted that positive news in the quarter included the securing of almost £20 million from the Future High Streets Fund to improve the leisure, transport and hospitality offer in Bishop Auckland and added that works had commenced to transform Festival Walk in Spennymoor.

In relation to tourism and cultural events, the Strategy Team Leader noted that although national restrictions were lifted during the summer months, the pandemic continued to impact on the tourism sector with the latest results from the Visit County Durham (VCD) COVID Impact Survey showing that 60 percent of respondents were currently experiencing a drop in income of 50 percent or more and with 79 percent having felt their business had been significantly affected. She added that a number of core attractions within the county had not reopened due to social distancing requirements in place, with those that had reopened having done so with a reduced capacity. Members were asked to note that in respect of the Council's cultural offer, theatres remain closed, with social distancing making it impossible to operate safely. The Strategy Team Leader explained that the Council had continued its online offer during quarter three with events such as audio plays and pre-filmed pantomimes.

The Strategy Team Leader referred to the ambition of 'connected communities' and the question of whether residents had access to decent affordable housing and noted the continued impact of COVID-19 in respect of the eviction ban and the knock-on effect on the availability of move-on accommodation. She noted that had led to a reduction in the number of households where it was possible to prevent homelessness and had increased the length of time households spent in temporary accommodation.

She noted work had been undertaken by Housing Solutions to assess accommodation needs and work was currently underway to prioritise single person accommodation through the County Durham Lettings Agency. It was explained few properties had been brought back into use in quarter three, a direct result of the COVID-19 restrictions in place at the time which had affected the ability to undertake work to properties.

In relation to the question 'Is it easy to travel around the county', the Strategy Team Leader noted that the Council's highways maintenance backlog was now broadly in line with other Local Authorities, however, issues remained with unclassified roads due to the severe winter of 2017/18 which had resulted in a deterioration in condition to levels worse than the national average.

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

Councillor R Crute noted reference within in report of the impact of COVID-19 on tourism and asked when that would be reflected in the performance tables contained within the report so that the Committee could understand the impact on tourism and its contribution to the economy. The Strategy Team Leader explained that the indicators were referred to were annual figures and therefore had a 12 month lag. She noted that VCD had worked on estimates in terms of the impact of COVID-19 and added they had been previously provided to Committee within the performance report. She added she could recirculate the information. She noted she would also speak to VCD as regards their latest estimates in respect of the impact of COVID-19 on those indicators.

Councillor M Wilkes asked as the amount of time taking to move people from temporary accommodation into something more permanent. He added that perhaps there had been a perception that a lot more people were able to stay in their homes because of the actions of the Government to restrict people losing their tenancies, although he understood that people may need to leave their homes for other reasons. He noted that the figures showed a doubling of the time taken compared to those over the last year and a half, and added he wondered whether the figures were heading back in the right direction, or whether in actual fact the figures would increase when Members were presented with the quarter four figures.

He asked what the Council had done to try and fix the problem as 30 days in temporary accommodation was a very long time and had a raft of knock-on impacts, particularly where there were children in that environment.

The Strategy Team Leader noted the report had set out the impact of COVID-19 including information on the eviction ban and other restrictions that had reduced the availability of move-on accommodation which had led to the increase in the time spent in temporary accommodation. She added that the Council was working with families and with landlords as part of an initiative to try and prevent people being evicted and therefore having to move into temporary accommodation. She noted she understood Housing Solutions were looking to increase the amount of available accommodation through the County Durham Lettings Scheme and she added that the requirement to house rough sleepers during the pandemic had also had an impact in terms of the number of people within temporary accommodation and therefore the number of people that the Council needed to find move-on accommodation for. The Strategy Team Leader noted she would speak to Housing Solutions to obtain the most up-to-date figures and provide those to the Committee.

Resolved:

That the Economy and Enterprise Overview and Scrutiny Committee notes the overall position and direction of travel in relation to quarter three 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.

10 Refresh of the Work Programme 2021/22

The Chairman asked the Overview and Scrutiny Officer, Diane Close to speak to Members in relation to the refresh of the Work Programme 2021/22 for the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes).

The Overview and Scrutiny Officer reminded Members that the refresh of the Committee's work programme was a two-stage process, with the report before Members representing the first stage of the process. She highlighted that the refresh reflected the objectives and associated outcomes and actions identified within the Council Plan and was set in the context of the County Durham Vision, key strategic documents and Government legislation which was relevant to the remit of the Committee. She noted Members were aware that in 2020/21, as a result of the pandemic, the work programme had been delivered very differently with agenda items prioritised for formal meetings and with the remainder of the work programme having been dealt with by way of a briefing report circulated to Members.

The Overview and Scrutiny Officer noted that during meetings of the Committee held in 2020/21 Members had identified a number of additional areas to come to Committee as part of the future work programme. She noted that in addition to the items identified at paragraphs 10-12 of the report, Members had highlighted other areas of concern which they may wish to consider for inclusion in the future work programme, including: skills development and employability for young people; the pipeline of investment coming into the county; and the continued monitoring of the impact of the pandemic on the services provided within the Regeneration, Economy and Growth Service Grouping.

The Overview and Scrutiny Officer noted a number of uncertainties going forward in respect of the number of meetings and how those meetings would be conducted and explained that it was intended that a further work programme report would be presented at the first meeting of the Economy and Enterprise Overview and Scrutiny Committee following the election in May. She concluded by inviting Members of the Committee to suggest any additional areas of activity for inclusion in the future work programme and any areas for focussed scrutiny review.

The Chair thanked the Overview and Scrutiny Officer and reiterated that there was uncertainty in respect of whether there would be a return to meetings in person and noted that the item represented an opportunity to give Members a chance to speak on the work programme prior to the new Committee considering the work programme in due course.

Councillor R Crute noted a need to exercise caution as there was uncertainty in terms of the amount of meetings the Committee may have and in terms of how they would take place in relation to COVID-19 restrictions, as regulations on remote meetings was due to expire at the end of spring. He added he felt it was helpful to have the item on the agenda so that Members could put a marker down for the future committee. He noted there would be a new Committee after the elections and therefore the work programme would come back to the Committee for those Members to discuss and consider, and it may be that those Members would choose to revise the proposed work programme. He continued that he felt it was worth looking at the proposed work programme as set out within the report. He added the work programme was quite full and there was a lot to deal with, and a number of issues having been raised at today's meeting that would warrant further consideration and inclusion.

The Chair agreed with Councillor R Crute and noted it was not a presumption of which Members may be returned, rather it was case of giving the benefit of the current Committee's experience.

Councillor M Wilkes agreed with Councillor R Crute and added that it was realistic to expect that the make-up of the Committee would change as many Members were stepping down, and new Members would have their own view on priorities.

He added that he felt it was important not to tie things to a particular avenue and that there was the opportunity to filter in as regards what Members felt those priorities were and based upon the environment at that time. He reiterated he supported the comments of Councillor R Crute adding he felt it was key, at the earliest meeting possible, that new Members were given the opportunity to feed into the work programme.

Resolved:

- (i) That the proposed Economy and Enterprise Overview and Scrutiny Committee work programme in relation to the current Council Plan 2020 – 2023 be noted.
- (ii) That a further report detailing the Economy and Enterprise Overview and Scrutiny Committee work programme for 2021/22 be submitted to its first meeting of the 2021/22 municipal year.

11 Any Other Business

The Chair noted that as it was the final meeting of the Economy and Enterprise Overview and Scrutiny Committee before the election and added he would like to thank each and every Members of the Committee, both Councillors and Co-opted Members for their attendance and participation over the last two years while he was Chair of the Committee. He noted his thanks to Councillor R Manchester for his support as a very effective Vice-Chair, and Councillor A Batey who had chaired the Committee for the first two years of the electoral term. The Chair thanked Councillor R Crute who had helped with any questions he had and had also shared his knowledge and experience. He wished each Member well for the future, in particular those not standing for re-election.

He thanked the Overview and Scrutiny Officer, Diane Close for her incredible hard work behind the scenes to coordinate the operation of the Committee and the Principal Overview and Scrutiny Officer, Stephen Gwilym for his input. The Chair thanked all Officers that had presented reports to the Committee and also thanked the Officers from ICT and Committee Services for their support, particularly in the move to remote meetings. The Chair added his thanks to external partners who had engaged with the Committee and members of the press and public who had watched the meetings of the Committee.

Councillor M Wilkes thanked the Chair on behalf of his group noting the Chair had allowed all Members to get their points across, adding that was also true of the previous Chair. He also thanked all the Officers involved with the Committee.