

Economy and Enterprise Overview and Scrutiny Committee

28 June 2022

County Durham Economic Partnership



Report of Geoff Paul, Interim Corporate Director of Regeneration, Economy and Growth

Glyn Llewellyn, Chair of County Durham Economic Partnership

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide members of the Economy and Enterprise Overview and Scrutiny Committee (E&E OSC) with an overview of the County Durham Economic Partnership, including detail of governance arrangements, priorities identified, current activity and future plans.

Executive summary

- 2 Arrangements have been made for Sue Parkinson, Vice Chair of the County Durham Economic Partnership to attend on 28 June 2022 to provide a presentation focusing on the role and governance of Partnership, its current activities and future plans.

A copy of the presentation is attached as appendix 4.

Recommendations

- 3 Members of the Economy and Enterprise Overview and Scrutiny Committee are asked to note and comment upon the information provided in the report and during the presentation.

Background – Structure and Governance

- 4 The County Durham Economic Partnership (CDEP) is one of the five thematic partnerships that make up the County Durham Partnership. CDEP is responsible for setting and reviewing the strategy for economic development and regeneration activity in County Durham.
- 5 In terms of membership, the CDEP Board has representation from partners involved in economic development in the county, the private sector, voluntary and social enterprise, statutory agencies and the County Council, including the Portfolio-holder for Economy and Partnerships. CDEP reports to the County Durham Partnership (see governance structure in Appendices 2 and 3)
- 6 As a business led partnership the CDEP Chair and Vice Chair are drawn from the private sector. Membership of the Board including the Chair and Vice Chair is reviewed bi-annually, and the Chair's tenure is for three years, with the option to extend with agreement from the Board. The current CDEP Chair is Glyn Llewellyn, who was appointed in May 2021 following an open Expression of Interest process. Sue Parkinson is the current Vice Chair and was involved in business and economic development in the county for many years in a professional capacity prior to taking on this role on a voluntary basis.
- 7 Within the core membership of the CDEP Board, individuals agree to take on specific portfolio responsibilities, covering themes such as Resources, Business Competitiveness, Ideas and Innovation, Inclusive Growth, People and Skills. The responsibility entails keeping a watching brief on the theme, and updating the Board on specific opportunities of relevance to County Durham, for example by bringing forward agenda items for discussion by the Board.
- 8 The Board meets on a quarterly basis and held 5 meetings during the last 12 months, in May, September and December 2021, and in March and May 2022.

Role of the County Durham Economic Partnership

- 9 The CDEP Board sets the strategy for economic development and regeneration activity across County Durham. To fulfil this the Board has four areas of focus:
 - Identifying, and putting into context opportunities
 - Informing partners of these opportunities
 - Influencing policy makers on the shaping of these opportunities

- Coordinating responses to the opportunities
- 10 To help achieve this the Board establishes separate Working Groups as required, to provide the intelligence from different partners across the County. Currently there are two Working Groups in place:
- Business, Enterprise and Skills Working Group
 - Technical Funding Group
- 11 The Partnership Board also has responsibility for strategic oversight of certain elements of the County Durham Vision, with a specific focus on the More and Better Jobs ambition, and direct strategic oversight of the following aspects of the Vision:
- 1.2 Improving productivity and competitiveness of our businesses
 - 1.2 Creating and sustaining employment
 - 1.5 Skills for employment
 - 1.5 Opportunities and help into rewarding work (including closing the gap for vulnerable people)
- 12 As part of their discussions and decision-making processes the CDEP Board also takes account of the following cross cutting themes from the Vision- climate change; protecting our natural environment; poverty and deprivation; new technologies; EU exit; rurality; and towns and villages.
- 13 The objectives of the CDEP Board are to provide the leadership needed to develop and deliver the strategy for economic development and regeneration, so that the strategy provides a set of coherent actions to address the opportunities and challenges across the County, and that the Board is recognised as the voice for County Durham in regional, national and international discussions.

Current Priorities and Activities

- 14 Recent key areas of activity for CDEP have included the following:
- Co-ordination of European funding bids for County Durham, including representation on the European Structural and Investment Funds (ESIF) Committee
 - Developing and co-ordinating the Covid 19 economic response and recovery plan
 - Lobbying and influencing - Industrial Strategy, UKSPF

- Developing new Inclusive Economic Strategy for the County – supporting partner and business engagement
 - Addressing key themes – City of Culture bid, green economy opportunities, social value/local wealth building, skills and recruitment
- 15 Work on the UK Shared Prosperity Fund (SPF) provides a good example of the value that the County Durham Economic Partnership brings. At its meeting in September 2021, the CDEP Board agreed to a series of actions to influence policy with regard to the development of UKSPF funds, which will replace EU funding. At that stage details on the fund, including the scale of funding and how it will be distributed and administered had not yet been announced.
- 16 Given that Durham has benefitted significantly from EU Structural Funds, providing essential investment to support its economic development and growth, CDEP was keen to use the extensive experience of partners in the County to help shape UKSPF, to ensure it was designed in a way that supports County Durham’s needs and ambitions. In December 2021, on behalf of CDEP, the Chair sent a letter to the Secretary of State for Levelling Up, Housing and Communities, Michael Gove, to offer the Partnership’s input into the design of UKSPF.
- 17 During February 2022, the Government provided pre-launch guidance for the UKSPF, confirming that all areas of the UK would receive an allocation and that local authorities will lead the management of the funds in their areas. The guidance outlined a key role for partners and stakeholders to work with local authorities to develop a local Investment Plan which will form the basis for the commissioning of SPF activities, and stated that where areas already have an appropriate group that could be used, it can designate the group for UK Shared Prosperity Fund purposes.
- 18 CDEP already had a Technical Funding Group, which has historically fulfilled all of the functions required as part of CDEP’s membership of the governance structures handling EU funding. Therefore, following discussion at the CDEP Board, the Chair wrote to the County Council recommending that CDEP is designated as the “appropriate group” for UK Shared Prosperity purposes, to support this work.

- 19 Following receipt of the full SPF guidance from Government, CDEP is now supporting the development and delivery of the Investment Plan for the UK Shared Prosperity Fund, which has to be submitted by 1 August 2022. In order that the investment plan for Durham is developed through broad engagement with a diverse range of stakeholders, working closely with local partners, as required by the guidance, a specially enhanced County Durham Economic Partnership will be meeting in June and July for this purpose.
- 20 The CDEP Technical Funding Group (TFG) has been meeting regularly to support the work needed to gather local evidence of opportunities and challenges through the lens of the three investment priorities for UKSPF. Four task and finish groups focussed around communities, business, innovation, and skills, and chaired by various members of the TFG, have been carrying out initial work on developing the local context, identifying past activity that has been effective, and collating information to form part of an evidence base.
- 21 This is a good example of the partnership work in action, convening all of the key partners in the county to influence and respond to a significant opportunity.

Collaboration

- 22 The County Durham Economic Partnership has been established for many years, having initially been set up pre-Local Government Review in County Durham to coordinate work on previous economic development strategies and funding programmes such as the Single Regeneration Budget, involving the County Council, District Councils, economic development partners and key government agencies. Over this time a strong ethos of partnership working to support economic development in the county has been developed, underpinned by the principle that *“the whole is greater than the sum of the parts”*.
- 23 At a regional and national level CDEP has been represented on the ESIF committee for EU funding, and has regular engagement with the North East LEP, providing the chair for its employment and skills expert group. CDEP has represented the EU transitional regions of the UK with MHCLG nationally, is a member of the North East Economic Evidence Forum, a member of the national Employment Related Services Association, and has engaged with the All Party Parliamentary Group dealing with Levelling Up.

- 24 In terms of engagement with other local partnerships, a good example is recent joint discussions with the Environment and Climate Change Partnership to look at how the two partnerships can work together to promote growth of the green economy and business participation in the environmental agenda.
- 25 The CDEP Board meeting held on 1st March 2022 was attended by the Chair of the Environment and Climate Change Partnership for a presentation and discussion. A number of areas of collaboration were discussed including development of a practical toolkit for SMEs, opportunities for knowledge transfer from larger businesses to small companies, promotion of the BEEP programme, building of capacity for future 'green' market opportunities and designing in environmental goals to mainstream business support. A small group has been convened to follow up on these, including the planning of a Net Zero showcase event for businesses which is being held on 6th July.

Future Priorities

- 26 The Chair is keen to increase awareness and engagement of the private sector in the work of CDEP and has introduced a number of measures to encourage this, including personally attending local business network meetings, and issuing a personal update message to business leaders after each CDEP Board meeting - see example here:

<https://countydurhampartnership.co.uk/wp-content/uploads/2022/03/CDEP-Message-from-the-Chair-March-2022.pdf>
- 27 The nature of the business and economic agenda is that the work is fast-moving and CDEP always seeks to remain flexible and agile to respond to changing circumstances, key issues that are facing the local business community, and new opportunities, rather than developing a work programme too far in advance.
- 28 Importantly, the future work programme for CDEP will be drawn from the new Inclusive Economic Strategy, and CDEP will provide the strategic leadership and oversight to ensure that action plans to deliver the strategy are developed and implemented, especially where this requires partners to come together to develop new ways of working, new solutions and to maximise the opportunities to leverage funding from all sources.

Conclusion

- 29 The County Durham Economic Partnership is a key part of the County Durham Partnership, bringing together key public, private and voluntary sector organisations that work together to support the development of the County Durham economy. CDEP has a strong track record of working in partnership to lobby, influence, seize opportunities and make maximum use of available resources, in order to deliver the strategy for economic development and regeneration.

Background papers

- None

Other useful documents

- None

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Appendix 1: Implications

Legal Implications

This report is for information only

Finance

Not applicable

Consultation

Not applicable

Equality and Diversity / Public Sector Equality Duty

Not applicable

Human Rights

Not applicable

Climate Change

Not applicable

Crime and Disorder

Not applicable

Staffing

Not applicable

Accommodation

Not applicable

Risk

Not applicable

Procurement

Not applicable

Appendix 3: County Durham Economic Partnership Governance Structure

