

## **Appendix 6**

# **Response to Economy and Enterprise Overview & Scrutiny Committee**



## Responses to Economy and Enterprise Overview and Scrutiny Committee (E&EOOSC) comments on the Draft Inclusive Economic Strategy

The draft County Durham Inclusive Economic Strategy (IES) was presented to the Economy and Enterprise Overview and Scrutiny Committee (EEOOSC) on Monday 7<sup>th</sup> November 2022, this was a final presentation of the strategy before the Council’s Cabinet meeting in December 2022 following and followed a series of updates on the IES evidence and findings during 2021 and 2022 .

This was a helpful session with constructive and robust feedback from Council Members. Following this meeting, written comments were sent to the Corporate Director of Regeneration Economy and Growth from the Committee secretary on behalf of the chair and vice chair of the committee.

The table below sets out a record of the comments from the committee and provides a response which articulates how this feedback has been reflected and or integrated within the Inclusive Economic Strategy document and the next steps of the delivery planning .

Number	Comment	Response
<b>Engagement/Consultation process</b>		
1	It was felt that Overview and Scrutiny should have been involved earlier in relation to the development of the consultation process and the development of the Inclusive Economic Strategy to confirm the priorities of residents, partners and businesses and detail of the barriers to creating economic growth.	<p>Overview and Scrutiny play a key role in the development of plans and strategies. Members will receive a presentation to E&amp;EOOSC in December 2021 that set out the findings of the Independent Economic Review and Economic Statement, which provided the foundations to develop the Strategy. On 4 March 2022 during the Econ-versation members of E&amp;EOOSC were asked for their views on what should be included in the IES. The findings of the Econ-versation were then presented to OSC on 28 June 2022 when members were asked to sense check what had been received. The draft IES was brought to E&amp;EOOSC November 2022 for feedback to help shape the final draft</p> <p>E&amp;EOOSC will continue to have a key role in the future preparation of the IES Delivery Plan including the</p>

		<p>opportunity to input into draft plans prior to submission to the Councils cabinet later in 2023.</p>
<p>2</p>	<p>Concern about the numbers engaged with during the consultation including the 'Big Econ-versation' and that the strategy had moved forward on a poor evidence base.</p> <p>Concern that in relation to engagement with limited companies the figure was low with 0.24% engaging as part of the consultation process.</p>	<p>The Big Econ-versation reached over 3,000 people across the county, and was undertaken between 31 January and 22 April 2022, with significant focus on maximising engagement.</p> <p>A total of 1,455 surveys were completed during the Big Econ-versation, including 918 residents, 94 businesses and 443 young people from across the county (the distribution of responses is shown in the map attached). The 3 surveys for residents, businesses and young people were available online and offline, and paper copies of the survey were available for people to fill in at physical events, as well as in libraries and customer access points.</p> <p>The Big Econ-versation was also widely promoted with press releases, social media, case studies, a radio advert for Smooth NE, bus panels and digital media etc.</p> <p>We held 86 events, attended by over 1,500 people. Conversations were held with a diverse range of groups to ensure that the process was as inclusive as possible. This included business, partnerships, anchor institutions and partners, and community groups and residents.</p> <p>The Big Econ-versation demonstrates our ongoing commitment to engaging with residents, businesses and organisations across the county. Extensive engagement</p>

		<p>will continue through the development of the Delivery Plan and implementation of the strategy.</p> <p>In terms of ensuring a robust evidence base, in December 2021, Cabinet approved the Economic Review which was completed by Ekosgen consultants. The review gives a detailed assessment of the County Durham economy based on the most up-to-date data and makes a number of recommendations which have informed the IES. This provides a robust evidence base that underpins the IES.</p>
3	<p>It was questioned as to the level of engagement during the consultation process with businesses and companies led by women. A large proportion of SMEs in the county are led by women. Need to ensure that the strategy document reflects this particular element of diversity.</p>	<p>The role of women in business is extremely important, and the Council is committed to a clear diversity and inclusion agenda. Whilst this inclusivity is a core theme running throughout the strategy we have now included reference to creating more jobs and opportunities in all parts of the county across the business base and sectors, including amongst female entrepreneurs and women-owned businesses. (see p. 29 of the IES)</p>
4	<p>Feedback from officers present confirmed that there was detailed engagement feedback that had informed the draft strategy and suggested that this could be circulated to E&amp;EOSC</p>	<p>We produced a detailed Feedback Report, which is an overarching summary of the findings and messages from the Big Econ-versation. This will be an appendix to the December Cabinet report. DCC officers can circulate event templates if required</p>
<b>Strategy</b>		
5	<p>A lot of what is in the strategy has been mentioned previously with the only additions the use of the word inclusive and an emphasis on the green economy.</p>	<p>The IES is a significant new piece of work, based on a detailed evidence base, engagement process and developed in partnership.</p> <p>The underpinning evidence and data has been widely communicated with E&amp;EOSC and this means that the</p>

		<p>evidence base that has informed the plan has been a regular dialogue with committee.</p> <p>The IES is a 'living' and long term plan which seeks to support County Durham's economy. There is already a lot to be proud of in our county including a substantial investment programme. However persistent challenges such as the productivity gap continue to be an issue. The plan therefore identifies new areas of focus and also seeks to sweat the benefits from existing plans including a more integrated approach. This integrated approach includes a focus on the positive relationship between on inclusive economies and green agendas</p>
6	<p>Concern that the strategy is a partnership strategy owned by the CDEP and what control/ influence DCC would be able to exercise in relation to the delivery of actions in the Delivery Plan.</p>	<p>DCC has established with its partners the County Durham Partnership Board which includes a number of thematic partnership boards. For the economy this is the County Durham Economic Partnership Board.</p> <p>DCC has control over its own activity, however a positive approach has been taken which acknowledges that economic growth can only be delivered as an ecosystem with partners and stakeholders working in collaboration, maximising the resources and levers available locally.</p> <p>DCC's cabinet approves the IES and any subsequent delivery plans.</p>

7	<p>There was a lack of direction within the strategy on, which Green Industries would/could be targeted for development in Co Durham.</p>	<p>The green economy is an emerging sector which is still being fully defined, and it should also be noted there is no SIC for the green economy and therefore job numbers must be estimated. The green economy is identified as a specialist growth area for County Durham and supporting its growth will be a key priority of the delivery plan.</p> <p>It should be noted that we already have a number of growing businesses in this sector, such as Power Roll, who provide solar panel film technology based at the Council's Jade Business Park. We are also incredibly proud that the globally renowned Earthshot Prize short list includes an innovative company called Low Carbon Materials who are also based at Jade.</p>
8	<p>The strategy references Durham University as a major partner which members generally agreed with although there were concerns at the accessibility of the University to County Durham students which reflected existing educational attainment and high entry requirements. It was also important to try to retain Durham Graduates within County Durham to increase GVA/earning potential.</p>	<p>Durham University (DU) are a key Member of the CDEP. Beyond the partnership DU have a number of partner projects with DCC such as NETPark and most recently supporting the delivery of the new business school.</p> <p>DU have been influential in the development of the IES. and DCC has an ambitious MOU in place with the University which includes a commitment around working together to improve learning and skills provision (see p.16 of the IES).</p> <p>The IES has sought to reflect the views of the O&amp;SEE with an overarching focus on providing more and better jobs in the local economy and improving graduate retention (see p. 23). One of the priorities under People in the IES is to raise skills levels (see p. 24)</p>

9	Need to ensure that the strategy makes reference to the 2021 census results/information and that changes are made to the strategy document to reflect relevant information contained in the census.	As the Census data is published, the most up to date data will be used to inform the Delivery Plan and will be used to refresh the IES as a live document.
10	Need to support working from home by creating access to hubs which will have the correct environment and facilities to support home working.	This is a huge opportunity for County Durham and have referenced this both in our Economic Vision (see p. 6 of the IES) and in our priority around enhancing digital infrastructure and connectivity (see p. 34). The high quality of life in the county needs to be matched with high quality broadband and good quality housing and attractive towns and villages. We also need to ensure local people have the digital skills they need to access jobs, education, and public services – and facilities. This can also offset some of the transport challenges faced across the county. Digital connectivity and supporting home and flexible working are key priorities in the IES and will form a key strand in the Delivery Plan.
11	Concern that with the high occupancy levels of business units in the county and the current pause on capital investment will result in a lack of units/premises for future business use.	Private sector interest in the county is high despite the challenging economic conditions. The county is a competitive location compared to other places in the country where land and property values are high and may be prohibitive to investors and businesses. We need to continue to provide new employment land and premises, and have identified significant strategic employment sites in the County Durham Plan. Planning permission has recently been awarded for Jade Phase 2, a Levelling Up bid has been submitted for the Bowburn relief road that will unlock phase 2 of Integra 61, Aykley Heads is due to be taken to the market in 2023, and the Council are committed to funding and delivering phase 3 of NETPark.



		<p>To reflect E&amp;EOSC feedback we have included a map with future strategic employment sites (see p. 15 of the IES) and will also incorporate existing employment sites in the final IES in response to helpful suggestions of OSC to reflect our already strong existing county-wide employment base.</p>
12	<p>Need to ensure that the strategy continues to progress social value and the County Durham Pound initiative.</p>	<p>It is extremely important to ensure the success and momentum of the County Durham Pound initiative.</p> <p>In response to this point we have included further references to the County Durham Pound upfront in the introduction (see p. 11 of the IES). To recognise this importance, we have added a more detailed reference in the Economic Performance section (see p. 18) and have strengthened the first action under the good business practices priority under Productivity (p. 30) to refer to how we could go further to leverage the collective power of anchor institutions.</p>
13	<p>Concern that the strategy does not include a future employment site across the East of the county.</p>	<p>It is important that we support business growth across the whole county.</p> <p>To reflect this the feedback from E&amp;EOSC we highlight that phase 2 of the Jade Business Park has recently been awarded planning permission providing 500,000 sq ft of new employment space alongside various redevelopment opportunities in various parts of East Durham. We have included reference to this in the map on p. 15 of the IES.</p>

14	Suggestion that a further P (poverty) should be added to the Strategy.	The IES will also complement the Council's recently adopted Poverty Action Plan, by creating a more inclusive economy where people are able to contribute to and benefit from economic growth and prosperity. The priorities and actions included in the IES will address the causes of poverty.
15	Concern about the level of funding from the UKSPF compared to the amount of EU funding County Durham received previously. Where will the funding come from to deliver the various actions within the Delivery Plan.	County Durham's share of UKSPF is less than the European Structural Funding it will replace, and the transition will be a challenge. However, UKSPF also offers opportunities by allowing investment decisions to be taken locally, and the process of developing the Investment Plan has drawn partners together to explore new ways of working. Investments that DCC have made in sites and infrastructure means that the county is well placed to attract private investors which will offset any reductions in public investment.
16	Concern that in relation to 'People' element of the framework, that the structures need to be in place for conversations to take place between the key players in relation to skill requirements and development in the county. We need to ensure that the skills developed meet employers' skill requirements. How will this be achieved?	<p>This is an important point to consider in the delivery of the IES.</p> <p>We continue to work closely with businesses and employers to facilitate closer relationships with schools, colleges, and universities. These partners have all been involved in shaping the IES and will be crucial to its delivery.</p> <p>The agreed economic vision will allow us to clearly identify where there are skills shortages and the jobs of the future so that our training can align to these. The Delivery Plan will be developed through working groups focusing on each theme, and the People theme will consider in detail how we ensure these do align in the future.</p>

		The IES has reflected this through both the people and partnerships strands
17	Need for schools to have in place good quality and timely careers advice which can be accessed at an earlier age by pupils in secondary schools. How will this be achieved?	<p>This is essential to the future of our economy going forwards and this was one of the main messages from the Big Econ-versation.</p> <p>We work closely with schools and colleges to raise the awareness of business needs and the Delivery Plan will set out new ways of working to improve careers advice and build on relationships with businesses and work experience to inspire our young people.</p>
18	Will all Co Durham colleges/training bodies be involved in delivering the new skills and opportunities that the strategy (hope) aims to deliver. How will this be achieved and by who?	We will engage with a broad range of education and training providers to co-ordinate activity and address gaps in provision through the County Durham Economic Partnership and other regional and thematic partnerships.
19	County Durham needs to develop a skills strategy.	This important point is reflected as an action under the raising skill levels priority under People (see p. 24 of the IES). A revised Skills Strategy will be one of the daughter strategies developed through the Delivery Plan.
20	There is a need for the Strategy to ensure that in addition to industry being located on various strategic and industrial sites throughout the county that it also provides the opportunity for industry to be located in our towns and villages. (Ex Brownfield Industrial Sites)	<p>In addition to major strategic employment sites the Council actively encourages and develops small to medium sized employment sites across the county, in addition to existing office and industrial units through Business Durham.</p> <p>The IES will also be used to launch a developer's forum to encourage investors, developers and property agents to consider opportunities in town and village centres in</p>

		line with changing business practices and ways of working.
21	The access to public transport in the county is essential particularly in relation to the remote and rural parts of the county to enable residents to access employment opportunities.	<p>This was one of the main messages that emerged from the Big Econ-versation, and we have included improving physical connectivity as a priority under Places (see p. 33 of the IES).</p> <p>Access to employment, including through public transport, will be specifically addressed through a Connectivity Strategy which will be one of the daughter strategies developed through the Delivery Plan.</p>
22	The need to ensure that all areas in the county have IT connectivity to facilitate working from home for residents, micro businesses and for SMEs in the county.	Enhancing digital infrastructure and connectivity is a key priority and is addressed under the Places theme (see p. 34 of the IES). It will be specifically addressed through a Connectivity Strategy which will be one of the daughter strategies developed through the Delivery Plan.
23	Concern as to whether the National Power infrastructure has the necessary capacity to support new ways of working as reflected in the bullet point above.	We are working with Northern Powergrid to discuss power requirements in line with our growth plans. We are also helping people and businesses to reduce their power consumption as well as investing in power generation themselves (e.g. solar panels which are becoming increasingly cost-effective). Many large businesses are also proposing developing their own renewable energy sources on site as part of future development plans.

24	<p>Members highlighted a number of areas that they liked in the Strategy. The areas are as follows:</p> <ul style="list-style-type: none"> <li>• Reference to a different approach in relation to the improvement of Town and Village Centres. (Can the Service Director provide examples please)</li> <li>• That the Strategy will be designed alongside sister plans/strategies with reference made to the poverty action plan, skills strategy/plan and transport plan/strategy.</li> <li>• That there is a focus on SMEs in the county.</li> <li>• That it focuses on the whole of the county.</li> <li>• That there is a need to attract major employers as well as SME's</li> </ul>	The support for these elements of the IES is noted and welcomed.
<b>Delivery Plan</b>		
25	The committee want early involvement and consideration of the Delivery Plan which will identify relevant actions and where responsibility sits for delivery of those actions.	The emerging Delivery Plan will be presented to E&EOSC for feedback during its development.
26	All DCC Service Groupings need to be evidenced to be working together to deliver those actions in the Delivery Plan for which DCC is responsible with responsibility and accountability to evidence this new way of working.	The development of the IES has involved service areas across the Council in shaping the vision and priorities. The same collaborative approach will be taken to developing the Delivery Plan, with clearly identified accountability and responsibility for delivery.
27	Suggestion that the Delivery Plan is reviewed annually with a delivery plan for each area of focus (the five Ps) in the framework.	The Delivery Plan approach will allow regular reviews and to respond to economic changes; allow priorities to be reassessed and recalibrated by future administrations; and actions to be refined based on whether outcomes are being achieved. This will ensure the IES remains a relevant and live document throughout its lifespan. It is intended to approach the

		Delivery Plan thematically, with CDEP working groups aligned to the 5 Ps.
28	The Committee request that the Chair of the CDEP attends the next meeting of the E&E OSC (or advise a suitable date) when E&E OSC members will be able to ask how the CDEP will achieve the successful implementation of the Durham County Inclusive Economic Strategy with responsibility and accountability for delivering the IES.	The Chair of the CDEP will be contacted to see if this request can be actioned.
29	That the comments made by members today are captured and formulated into a formal Overview and scrutiny response which will be circulated to the members of the committee and then shared with the Service Grouping to help further develop the Strategy.	We welcome the constructive comments from E&EOSC and this document sets out how these have been integrated into the IES.
30	The committee recognises that without the Delivery Plan in place the Strategy cannot be implemented and would therefore request that the Delivery Plan is presented to the committee if possible, within a six month period.	E&EOSC will have a key role to play in the preparation of future IES Delivery Plans. The Delivery Plan will be presented to E&EOSC at the earliest appropriate time and if possible within a six month period.