

Meeting: County Durham Economic Partnership Board
Date & Time: 4th December 2024 at 2pm
Venue: Conference Room, Salvus House, Durham/hybrid via Teams



Better for everyone

Present:	Name	Organisation/Pillar Rep
	Glyn Llewellyn (GL)	Chair
	Alan Smith (AS)	Believe Housing (lead for Inclusive Growth)
	Andy Kerr (AK)	Durham County Council
	Duncan Peake (DP)	Raby Estates
	Michelle Cooper (MC)	County Durham Community Foundation (VCS Voice)
	Reshma Begum (RB)	Federation of Small Business
	Sarah Slaven (SS)	Business Durham (lead for Business Competitiveness)
	Glenn Martin (GM)	Durham County Council – presenting Item 5
	Andy Bailey (ACB)	Durham County Council
	Paul Cooper (PC)	Durham County Council – presenting Item 7
	Angela Brown (ABro) (Minutes)	Durham County Council
Also, in attendance via Teams:		
	Ailsa Anderson (AA)	Engineering & Manufacturing Network
	Andy Broadbent (AB)	New College Durham (lead for People)
	Kirsty Wilkinson (KW)	Public Health, DCC
	Sue Parkinson (SP)	CDEP Vice Chair
	Richard Baker (RBaker)	Durham University (lead for Innovation)
	Kate Burrows (KB)	Durham Community Action (VCS Voice)
	Alison Gittins (AG)	Durham Business Group
Apologies:		
	Amy Harhoff	Durham County Council
	Rhiannon Bearne	Northeast Chamber of Commerce
	Cllr Elizabeth Scott	Durham County Council
	Alison Clarke	Culture, Sport & Tourism
	Paul Marsden	Head of the Association of Secondary Schools

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
1.	Welcome and apologies	<p>GL welcomed everyone to the meeting.</p> <p>He congratulated partners for the following achievements:</p> <ul style="list-style-type: none"> • Durham County Carers Support have received The King’s Award for Voluntary Service – as a VCSE anchor organisation in County Durham and provider of a County Durham Commissioned service it is wonderful to see them rewarded in this way. • Durham County Council’s DurhamEnable service was ranked as “excellent” in its Supported Employment Quality Framework assessment - the service received this accreditation in both its main UK Shared Prosperity Fund (UKSPF) backed service and its Local Supported Employment Programme (LSE) making it one of the only providers in the UK to have an “excellent” rating for both areas • New College Durham has recently been selected as an AoC Beacon Awards finalist for both The Bell Foundation Award for Excellence in English for Speakers of Other Languages (ESOL)” and “The Association of Colleges (AoC) Award for Widening Participation. 		
2.	Minutes of the meetings: 25th Sept 2024	The Minutes from the meetings of 25th September 2024 were agreed as a true record of the meeting.		
3.	Matters Arising	There were no matters arising.		
4.	Update from Special Rural Issues Meeting – Duncan Peake	<p>DP gave an update from the Special Rural issues meeting that took place on 4th November. He thanked colleagues who attended the meeting at Raby Castle and gave special thanks to Caroline from the NFU, Melanie Thomas-Glen from National Innovation Centre and Edward Perry a rural surveyor, who were also in attendance.</p> <p>Main Barriers to Growth in Rural Areas:</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<ol style="list-style-type: none"> 1. Transport 2. Housing 3. Skills/Training 4. Connectivity <p>Discussion Highlights:</p> <ul style="list-style-type: none"> • Market Towns: Recognised as critical hubs for economic activity in rural areas. Emphasis on ensuring their continued prosperity. • Devolution: Seen as beneficial for rural areas, with potential opportunities in climate change, farming, and rural land management. • Inclusive Economic Strategy (IES): The delivery plan should be more visible, and the CDEP Board should be the accountable board for this work. • Ambassadors: CDEP Board members can act as ambassadors for the economic strategy, raising its profile within the business community in the County. • Task and Finish Groups: Agreed to set up these groups to address specific challenges. <p>Questions/Comments:</p> <p>GL praised the meeting as excellent and well-organised.</p> <p>SS suggested reviewing the next delivery plan in the New Year, with potential pilot projects focused on rural aspects.</p> <p>AS noted that rural solutions in the housing sector are more expensive to deliver.</p> <p>DP highlighted the willingness of landowners to offer land for affordable housing, suitable for registered housing providers.</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>KB thanked DP for the meeting and mentioned ongoing surveys in Middleton in Teesdale, looking for project opportunities.</p> <p>RBaker agreed with the accuracy of the discussions and emphasized aligning Durham's intervention with the NECA agenda.</p> <p>SS mentioned a meeting with Northumberland early in the New Year to explore further opportunities.</p>		
5.	IES Delivery Plan Progress Report – Andy Kerr/Glenn Martin	<p>GL informed the Board that this was Andy Kerr’s last CDEP Board meeting as he leaves to take up his new post as the Director of Economy at York and North Yorkshire Combined Authority in the New Year. GL thanked him for his contributions, particularly in developing the Inclusive Economic Strategy (IES).</p> <p>GM presented on IES Delivery Plan progress report.</p> <p>Discussion Highlights:</p> <p>RB raised concerns about carbon emission spikes during building projects. GM acknowledged the need for further detailed examination.</p> <p>AS mentioned the high costs of building NetZero homes due to evolving technology and the struggle with their carbon footprint from day-to-day repairs.</p> <p>SS questioned what the partnership aims to measure, the desired changes, and how to manage them.</p> <p>MC highlighted the difference in place-based work in Durham compared to the London-centric view often seen in the voluntary sector.</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>DP inquired about the completion status of actions in the delivery plan. GM confirmed some actions were complete but might need review for relevance.</p> <p>SP noted the difficulty in overseeing all 139 actions and suggested focusing on key areas to present to the Board. DP agreed, emphasising the need to know milestones and progress for accountability.</p> <p>Productivity:</p> <p>SS discussed the use of UKSPF for integrated business support, with key projects like Durham Business Growth and Enterprising Durham Framework nearing completion by 31st March.</p> <p>Investment in the Intune partnership and commissioned work on Deeptech inward investment and growth plans for opportunity sectors.</p> <p>Utilising SPF resources to enhance working methods and invest in projects.</p> <p>Places:</p> <p>AK highlighted major regeneration programmes, including the £25m Towns and Villages Programme, with a report to Cabinet next month. Future place-based investment programmes for High Streets and Town Centres are also being considered.</p> <p>Efforts in green energy, EV charging, and 5G rollout.</p> <p>Promotion:</p> <p>GM noted improvements in the visitor economy, with the culture county programme for next year being a major initiative. Efforts to decarbonise visitor attractions and the establishment of Place Labs were also mentioned.</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>Awaiting new strategies and investment plans from the government and NECA, with the Local Growth Plan being crucial for future agreements.</p> <p>Additional Comments:</p> <p>RBaker emphasised the importance of knowing the programme's progress and the impact of the Intune Programme, which is central to the 5 Universities' strategy.</p> <p>The UKSPF has leveraged additional funding, including £9m from Research England and a joint commercialisation spin-out fund with NECA, totalling £30m.</p> <p>SS suggested better utilisation of the CDEP website for updates and getting messages out.</p> <p>Action:</p> <ul style="list-style-type: none"> • It was agreed to share with Board how many actions are now closed off. 	GM	
6.	Update from TFG – Sue Parkinson	<p>SP provided an update on the next iteration of the UK Shared Prosperity Fund (UKSPF) and the general principles behind it. She also shared an update from evaluators on how the partnership has functioned in relation to the UKSPF Fund.</p> <p>Technical Funding Group:</p> <ul style="list-style-type: none"> • Subgroup: The Technical Funding Group is a subgroup of the CDEP Board. • Consultants: Wave Hill consultants were engaged to conduct work, and their findings were circulated. <p>Recommendations:</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<ol style="list-style-type: none"> 1. Communication: Improve communication about the partnership's activities, with a suggestion to use the CDEP website. 2. Impact Evaluation: Increase efforts to evaluate the impact and worth of the partnership, with ongoing work involving the University. 3. Private Sector Involvement: Encourage more private sector involvement in the partnership. 4. Cross-Sector Working: Strengthen cross-sector collaboration, particularly around environmental and green agendas. 5. Lobbying: Increase lobbying efforts for Durham. <p>SPFUK Budget Announcement:</p> <ul style="list-style-type: none"> • Funding: An additional £900m was announced for 2025/26, but details on allocation and the split between revenue and capital are unknown. • Multiply Programme: No continuation of current funding for the Multiply Programme. • Transition Year: NECA will be the lead local authority, with a group set up to manage the transition year. Discussions are ongoing about using the same allocation formulas as the government, with Durham acting as the lead local authority. <p>Delivery Group:</p> <ul style="list-style-type: none"> • Programme Management: The group continues to manage 139 programmes and is open to taking a different approach if the Board wishes. • Preparation for Review: Preparation work for a review needs to start. <p>Questions/Comments:</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>RBaker highlighted the pressing issue of managing staffing in relation to SPF timings and hoped for a simple notification process from the government.</p> <p>SP mentioned that it is a new programme for the transitional year.</p>		
7.	Pension Fund Impact Investing – Paul Cooper	<p>Paul Cooper, Head of Pensions at DCC, presented an item on the proposed Pension Fund Impact Investment Strategy, to seek view from the Board.</p> <p>GL recapped that they are investing in businesses in County Durham and need a return on these investments, so they are looking for positive outcomes. PC explained that they never invest directly into corporate entities but always appoint an asset manager to safeguard returns. GL appreciated having the fund available.</p> <p>Discussion Highlights:</p> <p>Finance and Investment:</p> <p>RBaker found the presentation interesting. They highlighted the long-standing finance gap for spinouts and asked about attitudes towards early-stage investments. They also mentioned a £22.5m joint project between NECA and the five North East Universities, including co-investment opportunities for slightly later stages.</p> <p>PC welcomed the question on early-stage investments and suggested a conversation outside the meeting, which RBaker agreed to.</p> <p>Asset Management and Efficiency:</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>SP praised the efficient use of assets. She discussed the potential for including social value in investments and questioned whether investments could align with the strategy's ambitions.</p> <p>MC discussed the need to deliver certain outcomes and considered how to link these outcomes to IES for consumer impacts.</p> <p>Professional Management and ESG:</p> <p>PC emphasised that investment brings greater focus. He highlighted the role of professional managers in helping companies lacking frameworks and capacity. He also mentioned the importance of ESG and the primary responsibility to generate returns and discussed the foresight fund as an example of early-stage investments.</p> <p>It was agreed for PC to meet with GL.</p> <p>Action:</p> <ul style="list-style-type: none"> • RBaker to link with PC outside this meeting. • PC to meet with GL. 	<p>RBaker PC/GL</p>	
8.	<p>State of Business</p> <ul style="list-style-type: none"> • Reshma Begum FSB 	<p>RB noted that business confidence has declined since the budget, with some measures having a detrimental impact. She hopes that positive aspects will emerge in the coming months. She mentioned the limitations of increasing prices to cover rising living wages and employment allowances. Despite some businesses thriving, they are not turning enough profit. She emphasised the need to continue advocating for business rates relief, which is set to end for lower rates.</p> <p>MC highlighted that the charity sector in the NECA region has no choice but to raise prices, resulting in a net cost of £19.5m, which is a significant concern.</p>		

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
	<ul style="list-style-type: none"> <li data-bbox="309 571 562 639">Ailsa Anderson EMN 	<p data-bbox="633 272 1778 344">KB mentioned raising this issue from the VCS perspective at the County Durham Partnership Board and will share a paper on the matter once it is ready.</p> <p data-bbox="633 384 748 411">Action:</p> <ul style="list-style-type: none"> <li data-bbox="680 424 1547 451">KB to share paper with Board from VCS point of view. <p data-bbox="633 571 1093 598">SS gave update on behalf of AA</p> <p data-bbox="633 644 1731 716">The initial positivity in the sector following the launch of the Industrial Strategy has diminished since the announcements on 31st October.</p> <p data-bbox="633 756 1778 828">87% of manufacturers view the Industrial Strategy positively, believing it provides a long-term strategy.</p> <p data-bbox="633 868 1771 971">It is expected to increase manufacturing's contribution to GDP from 10% to 15%, address long-term skill gaps, and boost regional growth outside London and the South East.</p> <p data-bbox="633 1011 1771 1123">The increase in employers' National Insurance contributions has been widely condemned, impacting profitability, growth, and employment across large, small, and medium manufacturing companies.</p> <p data-bbox="633 1163 1767 1307">The combination of increased NI contributions, a lower NIC threshold, and rising wage costs is creating significant financial pressure, leading many manufacturers to consider workforce reductions to manage costs while fulfilling existing orders.</p> <p data-bbox="633 1347 1744 1426">Automation and digitisation are expected to increase efficiency, but profitability constraints limit the necessary upfront investment.</p> <p data-bbox="633 1426 1615 1453">Positive feedback on the extension of the Made Smarter Programme.</p>	<p data-bbox="1861 424 1912 451">KB</p>	

Item No.	Subject	Discussion and Decision	Lead Officer(s)	Timescale
		<p>Focus on reducing costs through lower GHG emissions, though initial investment in these technologies remains a barrier.</p> <p>The sector anticipates a challenging 9-12 months ahead.</p>		
9.	Any Other Business	There was no other business to discuss		
	Date and time of Next Meeting	<p>GL mentioned that the dates for 2025 are to be confirmed and ABrown will send out shortly. We are looking to hold 5 meetings next year to keep the momentum going, in February, April, June, September and November.</p> <p>Action</p> <ul style="list-style-type: none"> • ABrown to confirm dates for future board meetings and send invites to Board members. 	ABrown	