



MINUTES

Meeting	County Durham Economic Partnership Board
Date of Meeting	Monday 30 July 2012
Time of Meeting	1pm
Venue	Committee Room 1B, County Hall

Attendees:

Ken Jarrold	Chair
Tarryn Lloyd Payne	DCC, Principal Strategy & Partnerships Officer
Cllr Neil Foster	Cabinet Portfolio Holder for Economic Development and Regeneration
Jonathan Walker	North East Chamber of Commerce
Brian Manning	Esh Group/Chair of Employment and Skills Group
Sue Parkinson	
DCC, Economic Regeneration Manager	
Andy Palmer	DCC, Head of Strategy, Programmes & Performance
Barbara Gubbins	Chair of the Business and Enterprise Working Group
Sarah Robson	Chair of Place Shaping Working Group
Graham Wood	County Durham Community Foundation
Ivor Stoliday	Visit Durham
Elaine Richardson	Jobcentre Plus (representing Paul Chapman)
Annette Harrison	Jobcentre Plus
Clare Marshall	DCC, Principal Partnerships & Local Councils Officer
Geraldine Wilcox	Derwentside Homes
Ruth Robinson	DCC, Strategy, Programmes & Performance
Diane Close	DCC, Overview & Scrutiny Officer
Feisal Jassatt	DCC, Overview & Scrutiny Manager
Cllr John Moran	Chair of the Economy & Enterprise Overview & Scrutiny Committee
Catherine Johns	DCC, Business Growth Team Leader

1. Welcome

Ken Jarrold welcomed everyone to meeting and initiated round table introductions.

2. Apologies

John Widdowson	Chair of the Employment and Skills Executive Group
Ray Hudson	Durham University
Cllr Eddie Tomlinson	Chair of Rural Working Group
Stewart Watkins	Business Durham
Paul Chapman	Jobcentre Plus
Melanie Sensicle	Visit County Durham
Ian Thompson	Director of Regeneration and Economic Development

3. Minutes of the Last Meeting

The minutes were agreed as an accurate record.

4. Matters Arising

Page 2 – Item 3 – Matters Arising – Northumberland Arch Project – This is currently being examined as a good practice model. A report will be submitted to the Board later this year.

Page 3-4 – Item 6 – Employment Report – It was confirmed that the B&EWG have examined the likelihood of increased support for New Enterprise Allowance and findings have been supplied.

Page 4 – Item 7 – Employability & Apprenticeships – Graham Wood confirmed that 129 apprenticeship positions have commenced across 18 different organisations throughout the county.

Page 4-5 – Item 8 – Welfare Reform – Andy Palmer will present an analysis of the impact Welfare Reform is having on the economy at a future appropriate Board meeting.

Action:

Andy Palmer to present an analysis of the impact Welfare Reform is having on the economy at a future appropriate Board meeting.

Page 5 – Item 9 – Lumiere Evaluation – Cabinet have agreed that DCC will host the Lumiere event again in 2013.

Page 5 – Item 12 – Regeneration Statement – To be discussed under agenda item 13.

Page 6 – Item 13 – EU Funding 2014/2020 – It was confirmed that the EU Structural Fund Proposals presentation has been circulated.

Page 6 – Item 15 – Business Coaching for Growth – The presentation was circulated with the minutes.

Page 6 – Item 16 – Transport Working Group – The preferred option of a Transport Executive Group will be outlined in the Working Group Chairs report.

5. Chairs Remarks

Ken Jarrold made the following observations:

The Hitachi contract has been signed and more jobs are forecast than initially anticipated. Thanks were given to all those involved in the venture.

Despite the economic situation still being dire, there is still continued growth in private sector employment.

Personal Reflection:

Ken served 2 terms as Chair of the Board, from 2006 to 2012. During the early stages of his Chairmanship, only 1 private sector representative was on the Board, but private sector representation has steadily grown over the years. Membership now also includes a senior representative from Durham University and good

relationships have been established with Jobcentre Plus, who now play a crucial role in the work undertaken by the Board.

Ken indicated that he considered resigning as Chair of the Board in 2009. However, changes in the council including a new Leader and Chief Executive had much improved the situation and after a meeting with the Chief Executive, he decided to continue as Chair.

The global economic crisis had created a very challenging position and it has been difficult to make much progress because of the lack of funding. Nevertheless, the Board has a clear strategy with a strong policy context and a strong focus on the skills agenda.

Ken paid tribute to Sue Parkinson in her role as Chair of the Business & Enterprise Working Group and Vice Chair of the Board. He described Sue as the heart and soul of the CDEP.

There has been an improvement in GCSE results, which is excellent however qualifications by themselves do not guarantee employability and Ken hoped that the work to link education and employers, including learning the Business, would be re-established.

Business Durham created this year can play a key role in economic development and there needs to be a strong link to the Board. It was noted that the new Chair, Brian Tanner has been very involved in work undertaken by Business Durham.

Ken then concluded with thanks to all who have supported him over the years and expressed his best wishes to everyone.

6. LEP and Growing Places

Sarah Robson provided an update in Ian Thompson's absence:

The LEP business plan discussed at the July Board meeting will be complete in September 2012. The plan will be reviewed independently.

A number of projects have been supported through the Growing Places Fund. Success stories include DurhamGate and Amazon Park. It was noted that the A19 Low Carbon Scheme has also been supported, although this is not in County Durham. Assessment work is to be undertaken on the reserve projects. The Investment Panel will meet again in September 2012 to make final recommendations.

A sum of £45M through the Regional Growth Fund has been made available to assist in unlocking economic growth. The Investment Panel meeting will be held shortly to examine criteria based on LEP priorities.

Advanced Manufacturing is predominantly with the automotive sector. It was noted that Nissan are drawing up a bid with the NECC.

Ken Jarrold recommended that Edward Twiddy, NELEP Director attend the next Board meeting in November 2012. Sarah agreed to invite Mr Twiddy.

Action:

Sarah Robson to invite Mr Twiddy to the Board Meeting on 5 November 2012.

7. Employment Report

Elaine Richardson spoke about the report previously circulated outlining employment statistics and information for July 2012. JSA claimants have fallen for the fourth consecutive month. It was noted that there has also been a fall in claimants aged between 18-24 year olds.

Recorded information on the JobCentre Plus system signifies there has been growth in vacancies both regionally and nationally, with a significant increase in private sector employment. It was noted that this only accounts for a third of all job vacancies.

The GDP has decreased to 0.2% so there is a requirement for more intervention work with young people.

Based on data available on the JobCentre Plus system, 14,590 jobs have been sought compared to 2,494 in May 2012. It is believed that the considerable increase may be due to the fact that many people are registering as seeking several different occupations as efforts have been made to encourage people to broaden their aspirations and raise awareness of the current labour market.

There have been substantial job losses in East Durham, particularly in the food industry. JobCentre Plus has increased resources to help people in this area, including the support of interpreters as many of those affected do not speak fluent English. It was noted that data available from Indeed illustrates a broader representation of employment information. It was also mentioned that JobCentre Plus expects customers to travel a 90 minute travel zone for jobs. Travel Workshops have been arranged as it is acknowledged that this may prove difficult for those with low income jobs.

Reference was made to the significant increase in vacancies and it was suggested that this may be due to advertisement duplication. Annette Harrison advised that customers will soon be able to access all vacancies on their system soon and thus provide clearer analysis.

Ken Jarrold commented that the report was excellent and provided a very good basis for discussion. It was queried by Graham Wood which sectors have filled vacancies. Annette Harrison confirmed that the sectors that are mainly filling vacancies are contact centres and care.

Andy Palmer advised that there has been a national debate in relation to employment figures rising, but conflicts with the country's GDP. He then queried if there is an adjustment for seasonal jobs. Andy was also of the view that employment figures will never be completely accurate due to some vacancies being filled through "word of mouth". Annette confirmed that employment figures are rising, but mainly through part-time vacancies and could explain the disparity in employment figures and GDP. Elaine Richardson agreed to complete an analysis over the last few years to determine the seasonal adjustment. Consideration will also be given to 16-24 year olds as there is always an increase in vacancies in September.

Action:

Elaine Richardson to analyse employment figures over the last few years to determine seasonal adjustment.

Graham Wood noted that the City Skills Strategy operates across the whole LEP geography in an attempt to fill the labour market gap. Work is currently being undertaken with all LEP North East Local Authorities.

Barbara Gubbins indicated that she is aware of an organisation that has been attempting to recruit 150 vacancies. However, no applications were received for

those between the ages of 25-50. The organisation made verbal contact with candidates the day prior to interview, all of which confirmed they were attending, but 5 candidates did not attend.

Annette advised that JobCentre Plus can impose sanctions by loss of benefit to job seekers who do not attend for interview, but they need to be informed by the organisation concerned.

Ivor Stoliday is aware that smaller firms are constantly proclaiming they are unable to fill vacancies, especially those in the hospitality and tourism sector. Applicants regularly do not turn up, do not stay in the post very long or do not have the right skills. Graham Wood revealed that the labour market has low soft skills, which is a requirement in the tourism and hospitality industry.

Ken remarked that he was sad to hear of the closure of Cumbrian Seafoods. Ken then added that the vacancies advertised for administrative and sales are particularly low. It was suggested by Annette that this is due to them being advertised through other channels.

Ken then concluded by referring back to the comment made in relation to the 90 minute travel zone job seekers are expected to travel for jobs and that in his view 90 minutes on public transport will not always take passengers far.

8. Appointment of CDEP Board Chair

Professor Brian Tanner has been appointed as the new Chair of the CDEP Board through the CDEP Chair Appointment Committee, which consisted of Sue Parkinson, Ray Hudson, Brian Manning, Andy Palmer, Barbara Gubbins and Peter Chapman. The panel agreed unanimously that Brian was an excellent candidate. He has strong links with Durham University and NETPark and is directly involved in Kromek and other businesses. Ken Jarrold thanked Sue and the rest of the Committee in their efforts to secure the appointment.

9. EU Structural Fund Update

Andy Palmer updated the Board on the new programme proposed for 2014-2020. It was noted that the new category 'transition region' is still outlined in the regulations. The European Finance Committee met recently to discuss the proposal from Germany to delete this category, but this was not agreed.

The intervention rate has increased to 75% and a number of protections have been set to some EU member states, which involves less allocation, but more flexibility on how the fund is spent. The 75% intervention rate permits the requirement to acquire 25% of funds locally.

Andy met with MEPs recently and another meeting has been arranged for September 2012. Andy will also be attending the Open Day in Brussels.

An allocation of 40% of total spend has been set for ESF. Collaboration with the Tees Valley LEP will commence when the overall programme is further developed.

Andy then concluded that the EU budget is not expected to be announced until the end of 2012 at the earliest, which would imply that the programme will not be released until 2015.

10. Visit County Durham

Ivor Stoliday provided the Board with recent developments of the Visit County Durham Board. Members of the Board, which is private sector led, include Ian

Thompson, Sarah Robson and Sue Parkinson who has held the role of Vice Chair for 6 years, but intends to retire soon.

A main remit of the Visit County Durham Board is to attract people to the county and ensure they have the best possible experience when they come. An independent review found that the annual visitor economy is £6Bn. The Durham Pocket Guide has been produced and it is believed that this contributes considerably to the economy. The organisation has several websites including Visit County Durham and This is Durham.

Visit England has listed Durham as 1 of 16 permanent visitor destinations and images of Durham are on their publicity material. A sum of £450k has been allocated from the RGF for marketing and a further pot of money has been allocated from the Visit England budget for marketing purposes.

A new mobile application for This is Durham is available, as well as a new visitor information network, which has been produced in collaboration with 30 partners. The visitor information network is used through a touchscreen facility through the Tourism Information Board highlighting over 300 destinations. Research has indicated that people enquire about attractions when they arrive at their destination so the mobile application should prove a very useful tool.

Visit County Durham has been involved in many success stories, including the Streets of Durham Festival and the Bishop Auckland Food Festival, which attracted more than 20,000 people. Visit County Durham also played a key role in delivering the Lumiere event, which attracted 150,000 visitors in 2011, compared to just over 100,000 the previous year.

It was noted that tourism businesses are performing well, despite weather conditions. Business tourism is also functioning well, with the Radisson Hotel reporting record bookings.

Cllr Neil Foster recently met with Bishop Auckland College to discuss engagement with businesses. A scheme is currently being explored to ascertain how to sell Durham and surrounding areas around the courses the college provides. Cllr Neil Foster also commented that he observed a clip of Durham during the screening of the Olympic broadcast.

Ken Jarrold supported the close working relationship between the Board and the Visit County Durham Board and concluded that Visit County Durham is vital to the future of County Durham.

11. Increasing the Employment Opportunities of Young People Aged 18-24 in County Durham

Cllr John Moran thanked the Board for his invitation to the meeting. He then acknowledged that young people and unemployment is a priority for DCC. A report titled Increasing Young People's Employment Opportunities (18-24) within County Durham was presented to Cabinet on 20 June 2012 and was very well received. Please use attached link to access report (item 7):

<http://democracy.durham.gov.uk/ieListDocuments.aspx?CI=154&MI=4537&Ver=4>

Commitment has been received from partners to develop employment opportunities for young people in engineering and manufacturing. Cllr John Moran also recognised the challenges for young people commuting to and from rural areas.

Diane Close then delivered a presentation outlining the review undertaken by Overview & Scrutiny. The review was undertaken after quarterly performance monitoring highlighted an increase of unemployment in 18-24 year olds.

Part of the review focussed on what training organisations, colleges and JobCentre Plus are currently providing to support young people. The NECC also fed their comments from their partners.

Following the review, 12 recommendations were made. One being that key stage 4 pupils need an awareness of work experience. This will be achieved through educating them on initiatives such as the Business Magnates Scheme. The review also found that employers require employees with soft skills. DCC will examine how they can further develop the apprenticeships offer within the county with organisations.

It was recognised that a lot of work has been achieved by partners to provide information, advice and guidance to young people and it has been recommended that this should continue. A Technical Training Foundation pilot has commenced focussing on providing teachers with the correct materials and information to teach design and technology.

Diane then discussed key asks of the Board, which are listed on slide 6 of the attached PowerPoint presentation. The Review Working Group intends to conduct a systematic review early next year.

Sarah Robson commented that the review was a very useful piece of work and thanked the Overview & Scrutiny Team.

Sue Parkinson advised that Voluntary Organisations' Network North East (VONNE) have recently been allocated lottery funding targeted at LEP areas through a partnership approach to increase employment opportunities for young people. A meeting is required with leaders of the partnerships to take forward. Clare Marshall confirmed that a partnership approach is a key issue that will be discussed at the County Durham Partnership Away Day scheduled for 6 September 2012. The outcome of the discussions at the Away Day will be reported back at the November Board meeting.

Action:

Feedback from the County Durham Partnership Away Day to be provided at the November Board meeting.

Barbara Gubbins is aware that Women in Leadership Durham (WILD), which includes members such as the Chief Executive of Northumbria Water are considering organising mentoring opportunities and intend to liaise with Schools. Ken Jarrold confirmed that Graham Wood would be the best key contact in DCC to initiate the liaison with Schools.

Action:

Barbara Gubbins to contact Graham Wood to initiate liaison with Schools for mentoring opportunities.

Catherine Johns advised that Business Durham have just completed a 3 year youth engagement programme at NETPark.

Ken Jarrold advised Overview & Scrutiny that Graham Wood would also be the key contact for their systematic review as he will be able to provide an audit trail. Ken then added that the findings from the systematic review would be advantageous if discussed at the April Board meeting. It was agreed that Overview & Security would return in April to provide an update to the Board.

Action:

Systematic Review of the 12 recommendations to be tabled for April 2013 Board meeting.

Ken then thanked Overview & Scrutiny for providing the presentation and commented that it is a very helpful report. Cllr John Moran concluded that he intends that engagement with Derwentside Homes, Derwentside College and other organisations should continue.

12. Sustainable Community Strategy

Claire Marshall and Donna Jefferson attended the Board in 2009 to discuss the strategy, which runs to 2030 and is reviewed every 3 years. As the strategy was initially produced in 2009 when there was government change, some minor changes had been made to the document. The high level themes and objectives will be revisited at the forthcoming County Durham Partnership Away Day. It was noted that Sue Parkinson will be attending the Away Day on behalf of the Board. The findings from discussions at the away day will then be reviewed with the 5 thematic partnerships.

The outcomes of the review for 2013-2016 will be signed off in September 2013. Claire then concluded that she intends to attend the Board meeting in November 2012 to provide feedback from the away day and again an appropriate future Board meeting for partners to agree the high level objectives and the CDEP responsibilities.

Actions:

CDP Away Day Feedback to be tabled for November Board meeting.

Agreement and sign off of high level objectives and CDEP responsibilities to be tabled for an appropriate future Board meeting.

13. Regeneration Statement

Andy Palmer spoke to the document previously circulated, which is a refresh from the first document published in 2009. The final draft was consulted upon through the Limehouse system and was agreed at Cabinet on 24 July 2012. Please click here to access Cabinet report (item 3):

<http://democracy.durham.gov.uk/ieListDocuments.aspx?CId=154&MId=6668&Ver=4>

The new statement places more of an emphasis on people and employability due to the impacts of welfare reform. Andy then referred to page 14 of the strategy document, which outlined the key ambitions and objectives which will remain the same. However, the approach is centred round capitalising opportunities and stimulating the economy. A key measure is employment as this has dropped from 73% in 2008 so there is a need to assist 30,000 more people into employment to bring back to pre-recession levels. A further 30,000 new homes will need to be built to accommodate this.

The statement correlates with the County Durham Plan, which outlines spatial planning for the county to allocate land for various developments such as business and residential. The County Durham Plan will be consulted upon shortly.

Once final approval has been received for the statement, the aims and objectives will be aligned to the Altogether Delivery Plan. Andy then thanked everyone for the work they have contributed into the statement over the last 8 months.

The Board agreed and endorsed the County Durham Regeneration Statement.

14. Business, Enterprise & Skills Strategy

Graham Wood spoke to the paper previously circulated, which was written with considerable input from the Board.

Ken Jarrold recognised that the strategy has significantly improved from the last strategy and then referred to the council's recent peer review and that it had been possible to demonstrate to peers that there is clear direction and a robust strategy to endorse the delivery.

The Board agreed and endorsed the Business, Enterprise & Skills Strategy.

15. Working Group Chairs Update

Business and Enterprise

- The Board's RGF bid, which is a 2 part process, has been submitted and the outcome should be known in September 2012.
- NEFRAN have successfully acquired funds from Defra. The group liaised closely with Northumbria County Council to help secure the money.
- Business attrition rates have been circulated.
- A representative from a business support programme has approached the group to seek support from the Board to submit a funding bid. The group have agreed to provide support on behalf of the Board.
- Sue Parkinson has completed a fact finding exercise relating to integrating skills within the BEWG. Sue then intends to write a set of proposals based on her findings.
- NSBL have requested for an endorsement of their ERDF extension, which has been agreed.

Place Shaping

- A discussion was held on affordable housing.
- Updates were provided on the Durham City Delivery Plan, RGF activity, the Coastal Communities Fund and the Tourism Delivery Plan.

Housing

- The County Durham Housing Forum met on 25 July 2012, which was themed around Altogether Wealthier. Stewart Watkins provided a presentation, which proved to be in good timing as the Hitachi deal had been agreed earlier that day.
- An update was provided on the Housing Stock Options Appraisal, which is necessary as a result of Council Housing Subsidy System being reformed to self financing.
- Governance arrangements have been agreed by Cabinet for the 4 Welfare Reform Groups.
- A Joint communications plan is to be established between the Welfare Reform Housing Implications Group and the County Durham Housing Forum.
- Spatial Policy provided a brief presentation on the County Durham Plan. A more detailed presentation will be delivered at the next Forum meeting in September 2012.
- Performance updates were presented based on the Housing working groups
- Geraldine Wilcox agreed to provide a presentation on additional new housing and the impact of welfare reform for the new Chair of the Board.

Action:

Geraldine Wilcox to provide a presentation to the new Chair on additional housing and the impact of welfare reform.

Voluntary and Community Sector

- A contract for infrastructure report has been submitted to Durham Business Council and will be reviewed on an ongoing basis.
- Due to redundancies as a result of mergers and closures of organisations more people are enquiring about undertaking voluntary work.
- VONNE continue to provide updates on progress within the voluntary sector and are available on their website. See attached link to their website: <http://www.vonne.org.uk/home/>
- NESF Partnership is delivering a £1.4M project aimed at supporting people back into work. Findings have indicated lack of opportunities in County Durham.
- Local Giving initiative has been launched to provide training for on-line marketing and fundraising techniques. Opportunities will be fund matched for up to £0.5M from September during the matching period.

Transport

- The terms of reference developed for the new Transport Executive Group have been agreed following further discussions with a focus looking at travel to employment issues with wider infrastructure considerations being developed across working groups.

16. Any Other Business

- Ken Jarrold expressed his gratitude to Joanne Willey and Joanne Redshaw for all their support to the Board over recent years.
- Cllr Neil Foster, on behalf of the Board, conveyed his appreciation to Ken for his Chairmanship to the Board over the last 6 years. Cllr Foster then added that Ken focussed on what the Board needed to accomplish and how it was to be undertaken. He continually engaged with people and informed them on development. Ken was then presented with some gifts from the Board. Ken then thanked the Board for the gifts and kind words.

17. Date and Time of next meeting

Monday 5 November 2012 at 2pm in Committee Room 1A, County Hall.