



## MINUTES

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| <b>Meeting</b>         | County Durham Economic Partnership Board |
| <b>Date of Meeting</b> | Monday 24 <sup>th</sup> February 2014    |
| <b>Time</b>            | 13.00 – 15.00                            |
| <b>Venue</b>           | Palatine Centre, Durham University       |

### Attendees:

|                      |  |
|----------------------|--|
| Brian Tanner         | Chair  |
| Sue Parkinson        | Vice Chair & Chair of the Business, Enterprise & Skills Group                              |
| Cllr Eddie Tomlinson | Chair of Rural Working Group   |
| Edward Twiddy        | North East Local Enterprise Partnership  |
| Roger Kelly          | Chair of the Cultural Partnership  |
| Stephen Howell       | Cultural Partnership   |
| Lesley Cannon        | Jobcentre Plus   |
| Sarah Robson         | Chair of the Housing Forum   |
| Cllr Neil Foster     | Cabinet Portfolio Holder for Economic Development and Regeneration, DCC                    |
| Simon Goon           | Business Durham  |
| Ray Hudson           | Durham University  |
| Ian Thompson         | Director of Regeneration and Economic Development, Strategy, Programmes & Performance, DCC |
| Andy Palmer          | Visit County Durham Board  |
| Melanie Sensicle     | Federation of Small Businesses   |
| Simon Hanson         | County Durham Community Foundation   |
| Barbara Gubbins      | Strategy & Partnerships, DCC   |
| Tarryn Lloyd Payne   | Strategy & Partnerships, DCC   |
| Angela Brown         | Strategy & Partnerships, DCC   |

### 1. Welcome

Brian Tanner welcomed everyone to the meeting.

### 2. Apologies

|                  |                   |
|------------------|-------------------|
| Brian Manning    | Esh Group         |
| Jonathan Walker  | NECC              |
| Geraldine Wilcox | Derwentside Homes |

### 3. Minutes of the last meeting

The actions were agreed as a true record

### 4. Matters Arising

- Secretariat had received comments from the board in regards to the SCS.
- CDEP response on the NESIF had been distributed to board.

### 5. Durham University & Future Opportunities – Prof. Ray Hudson

RH gave a verbal presentation. The University is positioned strongly as 80<sup>th</sup> in world research rankings and regularly within the UK top 5. There are currently around 15,000 students attending. RH further expanded on the University Strategy in regards to a strive for excellence in research and education and the unique position of the University in enabling opportunities both inside and outside of the North East.

RH further explored opportunities connected to Durham including:

- *Enterprise Zones & R&D development*
  - Real opportunity to promote the area as a centre of excellence through collaboration with Newcastle University (Angel Alliance) in response to the Witty Review. This could include taking forward key arrow projects like a Centre for Incubation and subsequent relocation and retention of world class researchers.
  - Further benefits would be expected in the knock on effects of R&D developments within the SME supply chain. This could include the refreshment of facilities at NetPark and increasing access to R&D for local business.
- *Catalyst for increasing Aspiration & Participation amongst young people*
  - The University is increasing numbers of activities to encourage wider participation in HE. Opportunities include a wide package of grants and scholarships, for example Bob Young Scholarships.
- *Purchasing power in local economy and effect on Durham City*
  - With a turnover of £380m the university has considerable impact on the local economy. Areas include; Student Accommodation development, general workforce employment and sites & premises including the Three Tuns conversion and Palatine Centre to name a few. This considerable role within place will also overlap with a wider cultural and societal impact. The University will continue to work with local partners to support this.
- *Engagement with local business and start ups*
  - Opportunity to offer local career progression for students. However, it is recognised that Durham Students operate globally and competition for recognised talent retention would be challenging.
- *Cultural Opportunities*
  - The University is currently reviewing its approach to local and international cultural activities. It was suggested that building on the success of the Lindisfarne Gospels they would welcome a conversation with partners to develop further.

Further discussion from the board built on the above. Student growth was discussed in consideration that RH felt there would be gentle growth with an emphasis on increasing inter facility development. The University role supporting opportunities through European Structural Funds was further supported as in relation to potential delivery of the above activities.

**Action:** RH and RK (SH) to discuss cultural strategy links further

BT thanked RH for his presentation and his and the Universities continued involvement and support for working in partnership.

## **6. Enhancing impacts of cultural events on the economy – Roger Kelly & Steve Howell**

BT welcomed RK to the board as the new Chair of the Cultural Partnership.

RK and SH gave a presentation to the Board. Roger informed the Board that he had been appointed as Chair of the Cultural Partnership in September. He felt that there is an importance of taking culture seriously.

The Cultural Partnership is in the process of setting out a 10 year strategy for the County. There is a need to identify events, undertake a cultural audit of the County and to work with and make links with people to make the most of the assets we have.

Cultural Business Economy

- Turnover £12.4 billion nationally
- £5.9 billion of Gross Value Added
- 0.4% of UK employment
- Market structure of the arts and culture industry
- Consumer expenditure on the arts and culture
- Funding of the arts & culture

SP mentioned that in relation to maximising economic impact, Neil Foster is leading on Social Value Act Task Force and it would be interesting to have results on the work produced that would relate to events and local sourcing and commissioning.

SH felt it is not about containing it to local people but it is ensuring we have the right people with the right skills here to deliver opportunities.

MS thought that producers of supply chain will develop where the work is. If the sector struggles for investments then people won't locate if there is no work.

BT asked for thoughts on communication issues to enhance economic benefit on cultural activity.

AP informed the Board that a sense of a future programme would benefit local business involvement. For example the 'Great Goodbye' caught many local businesses on the hop by the scale – further work is therefore needed on how we can communicate better with FSB and other representative organisations to give opportunities for people/businesses. He suggested regular briefing sessions within the sector and communication tools and website. SH agreed and said the Cultural Partnership is reviewing this through their own cultural portal.

RH felt that we need to get the message across to people that there is enough in Co Durham to stay for a week and not just an afternoon.

MS mentioned that the European directive package is changing. Unable to package up and sell experiences at the moment. If this changes it could open up a lot of opportunities.

## **7. NELEP; Strategic Economic Plan, Opportunities for Investment – Edward Twiddy**

ET gave an update on the current North East LEP Strategic Economic Plan (SEP) consultation and the opportunities for investment in Co Durham. The consultation process is in the final stages. The response from Government has been supportive of a strong strategic context. Further work is underway to

provide assurances on any future devolution of resources. These are focused on deliverability and governance. The final sign off with government is expected for June.

In conjunction with the SEP process the UK Government is in discussion with LEPs in regards capital project bids for a national pot of up to £2b per year.

- Working through population and GVA statistics the NELEP area could access upwards of £120m per year.
- In relation to transport the LEP have further ring-fenced DFT allocation. Discussions are underway in regards to ring-fenced allocations guidelines within DFT funding.
- BIS allocation to FE sector capital projects is strong for the north east as the area in a poor state.
- Availability of European money as revenue finance is rare and a distinct opportunity for the North East. It will bring providers /business to the region in search of revenue capital.
- KPMG is working on behalf of the NELEP to examine the availability of long term programme finance. (capital, revenue & mixed).

In the short term there is a lot going on and still have a lot to resolve in the next 4 or 5 weeks. The 18<sup>th</sup> March is an important milestone as SEP will be ready for submission

The CDEP response to the SEP has been circulated to CDEP Board please comment.

***Action: Board members to submit any comments and secretariat to submit response to NELEP.***

## **8. Moving to delivery; European Structural Fund – Sue Parkinson**

SP and AP gave a presentation to the Board

*Background:*

- LEP area given €540m allocation for 2014/15
- Durham Transition region have €157m
- Proposed 64:36 ERDF/ESI split
- CDEP recognised within governance
  
- NELEP ESI Strategy submitted on 7<sup>th</sup> Oct 2013
  - Feedback and comments received from government in Nov 2013
  - Developing and firming up investment proposals Nov – Jan 2014
  - Final draft of LEP strategies submitted 3<sup>rd</sup> Feb 2014
  - Partnership agreement submitted to European Commission by end March 2014, expecting 4 months negotiation
  - Operational programmes submitted to European Commission by end April 2014
- Commission have 6 months to approve an admissible operational programme
- Implementation last quarter of 2014/15

*County Durham:*

- SP highlighted the tremendous partnership work that has developed a local CDEP suite of activity and investment proposals. These in turn have been included in the County Durham EU Investment Plan alongside indicative allocations and expected outputs.
- Contained within the document are Durham Asks, including;
  - Opt in discussions and CDEP participation
  - CDEP governance role including North East Investment Board, YEI, NELEP Investment Group
  - Programme specific indicators
  - Technical Assistance
- SP indicated the next phase was the workstreams to meet after the LEP has received feedback and look to develop a pipeline of projects that can feed into the next phase.
- SP also asked the board to endorse the establishment of a County Durham European Investment Group to mirror NELEP arrangements. The Chair of the Durham Investment Group would also represent the CDEP on the NELEP Group.

SP thanked everyone who had been involved in the process who have helped to get where we are.

AP presented a slide on Communication explaining the importance of effective representation not only internally amongst partners but also externally with the NELEP, Combined Authority and National bodies. AP asked all board members to agree to coordinate information in regards to the European Programme through the CDEP Secretariat. One example discussed was CDEP representation on NELEP European sub/policy groups.

The board was asked to endorse the following recommendations

- Endorse the EU Investment Plan
- Agree approach to delivery
- Establish a County Durham Investment Group
- Agree approach to communications

***All four recommendations were agreed by the Board***

**9. Partners and Working Group Chair updates**

*Sarah Robson – Housing Forum*

- Sarah thanked Sue Parkinson for giving a presentation to Housing Forum in relation to Investment Fund.
- Phil Jackman gave a presentation in relation to Digital Durham supply and demand have nominated champions which has been very helpful
- Marie Smith updated on Welfare Reform impacts. An EU Workshop planned for 4<sup>th</sup> March for Registered Providers.

*Cllr Eddie Tomlinson – Rural Working Group*

- Sue Parkinson has given presentation to the Rural Group which was very well received.
- Jane Winter was present on behalf of Defra and gave a short update which included a brief update on Digital Durham and was agreed that this would be future agenda item
- The Rural Group have been working on a response to complement CAP Policy

*Melanie Sensicle – Visit Co Durham*

- Visitor survey 3 is now in process
- Headlines highlighted good practice, but some challenges
- There is a national seminar in March from the Tourism Minister in relation to state aid – This could have an impact on future tourism activity related to European funding.
- This is final year for money to promote food and drink across the region

*VCS – Barbara Gubbins*

- VCS Strategy group established by DCC inc Fire Service, Police, University, major infrastructure Orgs, Councillors, 1<sup>st</sup> meeting looked at volunteering and strategy to maximise benefits/mapping and develop a framework
- Darlington Evolution software/web model developed under their transforming local infrastructure funding which measures volunteering
- There are still charities closing or scaling down now that reserves have run out
- CDCF – Almost 200 applications mainly micro businesses 14 drop outs 750k so far over 9 months Looking at match opportunities for further delivery after the second year evaluation.

**10. Any Other Business**

There was no other business

**11. Date and Time of next meeting**

19<sup>th</sup> May 2014 @ 1pm