



County Durham  
Economic Partnership

## MINUTES

<b>Meeting</b>	County Durham Economic Partnership Board
<b>Date of Meeting</b>	Monday 28 <sup>th</sup> July 2014
<b>Time</b>	13.00 – 15.00
<b>Venue</b>	Durham Business Club, Belmont Business Park

### Attendees:

Brian Tanner	Chair
Sue Parkinson	Vice Chair & Chair of the Business, Enterprise & Skills Group
Simon Goon	Business Durham
Ian Thompson	Director of Regeneration and Economic Development, Strategy, Programmes & Performance, DCC
Andy Palmer	County Durham Community Foundation
Barbara Gubbins	Chair of Durham City Board
Neil Graham	Children & Adults, DCC
Linda Bailey	Economic Development, DCC
Graham Wood	Chair of Education and Business Engagement Board
John Cuthbert	NECC
Jonathan Walker	NELEP
Michelle Duggan	Job Centre Plus
Paul Robson	Derwentside Homes
Geraldine Kay	Durham Business Group
Christine Yule	Strategy & Partnerships, DCC
Heather Orton	Strategy & Partnerships, DCC
Angela Brown	Strategy & Partnerships, DCC

### 1. Welcome

Brian Tanner welcomed everyone to the meeting and introduced John Cuthbert, Linda Bailey and Michelle Duggan and thanked them for attending the meeting.

### 2. Apologies

Brian Manning	Esh Group
Ray Hudson	Durham University
Simon Hanson	FSB
Edward Twiddy	Atom Bank
Sue Soroczan	Job Centre Plus
Melanie Sensicle	Visit County Durham
Cllr Eddie Tomlinson	Chair of Rural Working Group
Sarah Robson	Chair of the Housing Forum
Cllr Neil Foster	Cabinet Portfolio Holder for Economic Development and Regeneration, DCC

### **3. Minutes of the last meeting**

The actions were agreed as a true record.

### **4. Matters Arising**

The SEP was circulated to the Board as agreed.

Item 7. It has now been agreed that Simon Hanson from FSB will be a member on the Durham City Board and update meetings with the FSB have been arranged.

Ray Hudson from Durham University will be taking up the role of acting Vice Chancellor from September so is therefore unable to attend future CDEP Board meetings. Prof. John Gluyas will be the new representative for the University. John is Professor of Earth Sciences and worked in the Private Sector within the energy sector. He is seconded to the NELEP innovation team, which will continue to strengthen links with the LEP.

It was agreed to combine items 5 & 6 on today's agenda to give a comprehensive discussion on the key statistics and issues associated with youth unemployment alongside our key partner approaches.

### **5. Chair Remarks**

- It is official that the national economy is growing and the recession appears to be over. There has been a particular growth in the service sector. However, wages have not yet caught up
- The IMF has predicted us to be one of the fast growing economies by 2015
- The NELEP Board met on Thursday 17<sup>th</sup> July – Shadow arrangements for the LEP EU Investment Group were agreed and the CDEP will be asked for a representative.
- There is good news for County Durham in relation to the Single Local Growth Fund announced on 7<sup>th</sup> July. Andy Palmer will speak about this under Item 8
- The focus for discussion today will be Youth Employment. There is good progress being made with initiatives we deliver as partners, but there is still a significant gap to close to impact on our youth employment rates and to maximise the opportunities available to the young people of County Durham.

### **6. Understanding Youth Employment & Proposals for Youth Employment Initiative – Linda Bailey**

Key points covered by the presentation were:-

- High rate of youth unemployment that remains significantly higher than national rates. In Durham and the North we have considerably more young people aged 18-24 who have been claiming Jobseekers Allowance for more than 12 months.
- Skills attainment levels are increasing; however, there is a significant gap and need to improve higher level skills (NVQ level 3 and above)
- In terms of supporting progression, applications to higher education are increasing, but we have a low base and the North East has the joint lowest application rate within the UK.
- Youth unemployment represents an economic and social challenge. For individuals, they are more likely to have reduced wages and increased chances of subsequent periods of unemployment and poor health. This undoubtedly has a wider impact upon productivity and our economy.

- Widening participation remains an important agenda. Need to continue to improve skills attainment and narrow the gap whilst enabling progression to employment and improving the employability of our young people.
- Employers list a variety of reasons for not employing young people, including lack of skills, experience and quality as well as poor attitude and qualifications. However, employers do see benefits of investing in young people and are willing to do so as part of their wider corporate social responsibility
- To meet our future economic growth ambitions we need to align supply and demand and support young people into employment where there are job opportunities
- Everyone's journey to employment is different and there is no single factor that guarantees success in the labour market. As partners we have various strategies, approaches and services in place to support this agenda. We need to continue to effectively raise aspirations, deliver demand led training, careers guidance and give our young people the right tools to pursue the opportunities and make the use of available resources through the Youth Employment Initiative (YEI) and European Funding.
- Through a partner Activity Group, development of YEI opportunities has been undertaken. This has considered feedback from young people and the types of support they would benefit from, including: Work experience, discounted travel, local jobs, mentors and support with job applications. Feedback has been used to identify six activity themes:
  - Support transitions for young people at risk
  - Peer mentoring
  - Raising aspirations for vulnerable young people
  - Supporting employment of young people
  - World of work and enterprise
  - Pre-engagement activities
- FSB and CDEP have launched a Simpl Challenge to look for new ideas to tackle youth unemployment.

Brian thanked Linda for her comprehensive overview with challenging data and issues.

**Action: AB to circulate presentation and Board endorsed the approach to tackling youth unemployment**

Questions/comments

PR asked in relation to work experience, DWP have many challenges. They see these as mostly relating to young people not wanting to take part even when employers would be willing to offer employment. At present they have 28 unfilled spaces in Durham and can't get any young people to fill them. LB confirmed that CAS and its partners could work more closely with JCP as resources and activities are available to provide much needed mentoring. The young people often need to take advantage of these work experience opportunities

BG mentioned that they have a lot of volunteers when it becomes compulsory, but expectations are not always met and the employer doesn't always give the right experience.

GK mentioned in her Ambassador role that young people are continuing through placements and support is being provided to help them start their own businesses.

BT asked why there is disconnect and how can we bridge the gap? SP felt that household income in Co Durham affects the number of children going to University. SG mentioned that also travel costs could be a factor for this. It was

felt that finance is one of the barriers for young people, but part of a much wider multifaceted challenge.

With regard to YEI AP mentioned that EU funding has tight timescales especially for turning themes into projects. LB mentioned that lot of preparation work is been undertaken by SFA and more progress is needed on this.

MD asked where there were blockages with skills funding. It was agreed that conversations and opportunity developments need to be strengthened between Durham and the NELEP.

**Action: MD to organise a meeting with LB to discuss issues and consider wider opportunities for skills development**

**Action: AB to circulate presentation**

#### **7. Increasing Aspirations through Education Business Links – John Cuthbert**

JC explained that the County Durham Education and Business Engagement Board have had two meetings so it is early days and the Board is still recruiting members. The plan is to recruit some additional businesses onto the board. At present there are 3 head teachers, a representative from Dyer Engineering, Gestamp Tallent, Walkers and Northumbrian Water.

JC understands that the links between education and business are not easy, as the sectors don't 'talk the same language or work in the same way'. Therefore there are a lot of challenges facing the Board to get links working between the two sectors. There has been a lot of work done through the Task and Finish Group on how we can build effective bridges between businesses and schools and we will build on these and take them forward.

Creating opportunities for business engagement is the key area for activity. Need to find out what works and what doesn't. For instance, why are careers fairs successful? What creates dissatisfaction? It would be interesting to get children who were in the same position two years ago to come back and speak to schools and businesses about their experiences. There is a need to identify champions and leaders. We need to identify people willing to do something and initiate pilots. There is a clear need to have a business checklist so both businesses and schools know what they are signing up for.

The Education and Business Engagement Board are confident that these challenges can be addressed. However resources will be needed. As the Board is still in its infancy and development stages, he was asked to return to the CDEP Board once proposals have been developed.

BT thanked John.

**Action: JC will return to a future Board with a more structured approach and proposal.**

#### **8. County Durham Investments – Andy Palmer & Sue Parkinson**

AP gave a presentation and updated the Board on where we are with major investment within County Durham and circulated a briefing note on the North East Growth Deal.

He gave a reminder of what we set out to do as a partnership.

Our five measurers of success:-

- The County Durham employment rate to converge to and be maintained at pre-recession levels (73% of the working age population) within the period 2010-2030 leading to 30,000 additional people in employment for County Durham residents
- The number of businesses in the County to increase by 4,300 by 2030 contributing towards the rise in the employment rate
- Gross household disposable income to rise within the next 20 years to 103% of the region's values (or 87.4% of the national figure)
- The County's per capita GVA figure to rise to 87% of the regional value (or 68% of the UK figures) by 2030
- The number of Lower Super Output Areas in the County which are ranked nationally in the top 20% of the Index of Deprivation's employment domain to reduce from the current number of 174 to 64

AP emphasised that the employment rate was the key driver for the CDEP. AP will bring a report to the November Board which will review the measures of success in the context of the state of the economy. AP also reminded the Board that as a partnership we're committed to the following priorities:-

- Enabling effective investment planning within the County
- Creating more opportunities for employment and reducing disparities, with a key emphasis on opportunities for young people
- Influencing and informing wider decision making priorities and investments in particular the North East Local Enterprise partnership (NELEP) and North East Leadership Board (Combined Authority)
- Making our places work, and promotion of County Durham as a place to invest, do business and visit

AP provided an update on the development of the SEP and outlined the Single Local Growth Fund 2015/16 proposals for County Durham. He stated that the NELEP were allocated approximately £290m through the Growth Deal. Durham received £34.2m of new funding which will help to contribute to our measure of success, establish much needed infrastructure and lead to longer term job creation.

SP gave an update on EU Investment funds .She reiterated that there was significant amount of resource allocated to Co Durham to be spent in a way that the commission expects (€156.2m for Durham as a Transition Area).

It is a huge opportunity but also huge challenge as we need as many partners to bring intelligence/interest/match funding to maximise the way that the money is spent. This requires commitment and local knowledge so we need to join up and understand what is happening. SP emphasised the importance of partnership working. Work streams have been set up to mirror the LEP work streams and our partners are continuing this good work. Further detail and areas of activity will be presented to the next Board.

In relation to governance, the LEP Board met on 17<sup>th</sup> July. Paul Woolston the LEP Chair will be asking for nominations for the CDEP representative on the LEP EU Shadow Arrangements Board.

SP then provided an overview of some Durham work streams including Social Inclusion. Jo Laverick is leading on the Social inclusion Work stream and has organised a Conference for 26<sup>th</sup> September. This will involve extensive partners and will help steer and develop potential project areas within the work stream.

SP confirmed the following next steps and recommendations that the CDEP and Board must champion

- Understand Government feedback and operational arrangements for SLGF and EU Structural Funds
- Continue to strengthen relationships, communication and governance arrangements with NELEP and CA
- Continue to develop and deliver projects through the Durham Investment Group and in Partnership
- Clearly articulate, communicate and plan our major investments
- Programme status reports to CDEP Board
- Keeping it real – balance compliance and governance

BT thanked AP and SP for the presentation and echoed the need to make the most of this opportunity and to continue the good work throughout the work streams

**Action: Review of measures of success to be presented to the next Board**

## **9. NELEP: Driving Youth Employment Initiatives & Funding – Michelle Duggan**

MD provided background context to the development of the skills agenda through the SEP following the Adonis report. Encouragingly skills and young people is a key feature the Growth Deal and the SEP is committed to apprenticeships, working with employers and helping increase numbers. The North East School Challenge will drive up performance, standards and quality in schools. 90% of our schools are good or outstanding but they are still failing people. We are the lowest performing in the region at GCSE and we are keen to improve access to Higher Education in North East. This Schools Challenge will help improve progression and support improving standards.

The LEP is currently working with schools/children's services to commission a piece of work with partners to see how we can improve governance. They have committed to improve linkages between Business & Education. £22m is secured for skills investment for 5 skills projects through the Growth Deal. East Durham and Houghall College secured £10m through the Deal.

The Youth Employment Programme has £4.4m funding through the youth contract. Newcastle is the lead partner and they are looking at demand and focusing on driving the 'take up' with employers and monitoring the needs of young people.

The European Programme – This is a challenging process and LEP have entered into discussions with DWP/SFA on the opt-ins. DWP have the opportunity to work with the Combined Authority on Welfare Reform. Partners will be kept up to date as this develops.

The North East was selected for Mental Health Trail Blazer to work closer with DWP and get people back into the labour market. The big challenge to this is to improve links with education and business. Locally it is important that work of the Education and Business Board is encouraged.

BT thanked MD and felt that the CDEP need to ensure the local approach to youth employment continues to align with LEP and national development and hoped that the Board were happy to endorse and continue our approach.

## **10. Partners and Working Group Chair updates**

### *VCS – Barbara Gubbins*

Garfield Weston Foundation has published a report 'An insight into the future of charity funding in the North east'. If partners are interested, BG can circulate copies.

Nominations for Durham Community Action Volunteering Awards 2014 have now been closed. They have received a large number of entries. Winners will be announced at the awards ceremony at Ramside Hall on 16<sup>th</sup> September 2014.

An evaluation of the Ruffer Programme will be available in the next few weeks in relation to the Learning, Working Earning Programme. This will be circulated to partners once available.

### *Housing Forum – Geraldine Kay*

The Housing Strategy is under review and will be refreshed by March 2015. An issue based approach is being undertaken for its refresh with "Older Persons" being a key area of discussion and the demands/needs for new stock and social care.

## **11. Any Other Business**

Nothing was raised

## **12. Date and Time of next meeting**

3<sup>rd</sup> November 2014 at 1pm