



County Durham
Economic Partnership

MINUTES

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| Meeting | County Durham Economic Partnership Board |
| Date of Meeting | Tuesday 3 rd February 2015 |
| Time | 13.00 – 15.00 |
| Venue | Bistro 21, Aykley heads, Durham |

Attendees:

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| Brian Tanner | Chair |
| Simon Goon | Business Durham |
| Ian Thompson | Director of Regeneration and Economic Development, Strategy, Programmes & Performance, DCC |
| Andy Palmer | Derwentside Homes |
| Geraldine Kay | Job Centre Plus |
| Paul Robson | Atom Bank |
| Edward Twiddy | Cabinet Portfolio Holder for Economic Development and Regeneration, DCC |
| Cllr Neil Foster | Chair of Rural Working Group |
| Cllr Eddie Tomlinson | Chair of the Housing Forum |
| Sarah Robson | Visit County Durham |
| Melanie Sensicle | County Durham Community Foundation |
| Barbara Gubbins | Chair of the BES Group |
| Sue Parkinson | Strategy & Partnerships, DCC |
| Tarryn Lloyd Payne | Spatial Policy, DCC |
| Graeme Smith | |

1. Welcome

Brian Tanner welcomed everyone to the meeting and initiated round table introductions

2. Apologies

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|-----------------|-------------------------------|
| Sue Soroczan | Job Centre Plus |
| Helen Golightly | NELEP |
| Roger Kelly | Chair of Cultural Partnership |
| Neil Graham | Chair of Durham City Board |
| John Gluyas | Durham University |
| Simon Hanson | FSB |

3. Minutes of the last meeting

The minutes were agreed as a true record.

4. Matters Arising

The board were asked to pay particular attention to the recommendations agreed at the last meeting.

5. Atom Bank; Making investment happen in County Durham; Edward Twiddy

Simple banking proposition:

ET gave a presentation. Atom will be the UK's first mobile bank. It is a new and different type of bank. It has been "designed for digital" and in particular for smartphone and tablet, an area in which there has been explosive growth.

Recruitment & Next Steps:

Atom Bank moved into Northumbrian House in Nov 2014. There are currently approximately 120 people (including contractors) employed by Atom. Although many of the permanent posts have been recruited from existing companies, Atom will be expecting total employee numbers to rise in the next 7-10 years to 510. It is hoped many of these will come through local recruitment.

The main next steps are in preparation for the launch of the bank. This will include complying with national banking regulations. The process will run parallel to market testing of products and services in order to ensure a smooth launch of Atom Bank to the market in Autumn 2015.

6. Access to Finance North East; JEREMIE 2; Simon Goon

SG gave a presentation updating the Board on the current position and development of the JERIMIE 2 programme. This included;

Project Plan Overview: Key areas highlighted included the Ex ante study and ongoing consultation in regard to fund design and modelling. Current negotiations are underway with an anticipated project launch on the 1st January 2016.

SG emphasised Durham's current Transition position which will give us certain advantages in terms of ensuring better future delivery for Durham. The EU workstream led by Simon Hanson had asked for the following:

- Fund Manager presence in Durham
- Appropriate balance of funds fit for the Durham business base
- Seat on project development board

SG reported that these asks had been accommodated through an existing "Jane Reynolds" pilot with continued HFM presence in the new programme, a new approved flexible nature of fund design allowing for Durham's business base and Simon Goon on the JEREMIE 2 project board.

Key issues discussed:

- Current discussions on appointment and/or procurement process for the new programme with EU and DCLG. The conclusion of the above will then inform subsequent discussions with the EIB.
- SG informed the board of ongoing discussion between the NELEP and Tees Valley LEP in regards to joint working on the future funding.
- Still unclear on the total outputs expected for the programme in Durham, although a total expectation for the whole programme was thought to be in the region of 6000 jobs.

7. County Durham Housing Strategy; Graeme Smith

A presentation was received from Graeme Smith, Spatial Policy Team, DCC.

- Context on the development of the Housing Strategy
- The proposed structure and scope of the Strategy
- An overview of the evidence base
- Overview of the Project Plan

BT asked representatives from the Housing Forum for any additional comments. It was commented that the Strategy had been well received by the Housing Forum with a good match between the evidence presented and the delivery Agencies' own market intelligence.

The board discussed many of the key aspects of the Strategy and its wider expected impact on the economy. These included:

Choice & Necessity: the board is keen to ensure that intelligence behind the strategy reflects low demand for social housing and does not automatically mean low home ownership. Demand still exists in high employment areas.

Economic Case: Strong relationship with social housing. Although the proactive approach by housing providers in the last few months seems to be working to ensure residents are paying their rent there is evidence of continued hardship through increased usage of Food Banks and Financial advice services.

Further discussion was had on the housing demand and some of the underlying drivers in housing growth. It was recognised by the board that it was important to link to employment-driven growth. It was further discussed as to how this could be emphasised in the Housing Strategy by building on the County Durham Plan. This could also be developed further through supporting evidence and within the Housing Strategy Vision.

The recent increase in the Employment Rate was emphasised as a positive in an increase in potential demand for new housing. Further discussion was held on the relationship between self-employment growth and employment rate and the continued importance of supporting wider job growth.

- **Action:**
 - **To note the content of the Presentation**
 - **To support the development and delivery of the Housing Strategy through the Housing Forum**

8. EU Structural Funds; Update, Sue Parkinson

- The Government are still negotiating the details of the Operational Programmes for ERDF and ESF with the Commission. They are hopeful that informal agreement can be given by the end of February to allow some limited calls to be launched in March before purdah.
- The Operational Programmes cannot be formally adopted by the Commission until the Multi Annual Financial Framework has been amended to move the uncommitted 2014 allocations into 2015. This won't be completed by the Commission until June 15 at the latest.
- The SFA have belatedly announced they will not be "match funding" against local YEI resource. Therefore the big challenge will be sourcing match funding at a local level. Currently talking to internal/external partners to see what can be pulled together and how can access any match.
- SP informed the board that the North East ESIF committee had now been established and agreed its draft terms of reference. She was working with our own workstreams to ensure effective County Durham representation.

9. Working Group Chairs Update

- *Housing, Sarah Robson:* In addition to the ongoing work with the Housing Strategy, the Forum is examining best practice with Tees Valley towards Customer Behaviour. It has further been supporting the development of a public Health Project called "The Wellbeing for Life Service" in County Durham.
 - This incorporates a targeted service based in the most deprived areas of the County where health trainers will support vulnerable groups with multiple risk factors for unhealthy behaviours and poor mental wellbeing.
 - Consortium of providers has been awarded the service including Durham Community Action, and Sport and Leisure in Durham County Council.
 - Phase 1 of developing the service has started, this included asset mapping and working with existing community groups to identify people to support.
 - Phase 2 of implementing the service will be to work with housing providers to create referral pathways and signposting.
- *Visit Durham, Melanie Sensicle:* National review of Visit England and Visit Britain has been undertaken. Awaiting recommendations but expectations of Visit England going forward with resources to deliver national destination. This in turn could also allow for more resource allocation to the agreed 40 top destinations (Durham is one of them). Also awaiting developments in regards to the recent growth fund announcements for a "Northern Lands" proposal. Further work is underway in regard to supporting the local Magna Carta exhibition during the summer. This includes development of a supporting business toolkit.
- *Rural, Cllr Eddie Tomlinson:* The Rural Working Group has been developing further relationships with the 3 Rivers Partnership, the Local Nature Partnership for lowland County Durham, Gateshead, Sunderland and South Tyneside. Their Vision is a biodiverse landscape enhancing health and wealth for all.

Other areas being considered include supporting the appeal process for the West Durham Leader area. If unsuccessful this could cause considerable funding issues for local delivery.
Further work is also being done to maximise local delivery and opportunities with the Rural Business Growth Fund.

10. Partners Update

VCS: The local VCS Strategy Group had been looking to develop the local approach to core VCS issues. This includes, looking at Big Lottery/ESF future funding opportunities alongside potential within the proposed Virgin Money Foundation (£2m).

Further work received has been a local Third Sector trend study and a work on building local capacity within the sector.

11. Any Other Business

Nothing was raised

12. Date and Time of next meeting

Tuesday 28th April 2015 @ 1pm