

DURHAM COUNTY COUNCIL

ECONOMY AND ENTERPRISE OVERVIEW AND SCRUTINY COMMITTEE

At a Meeting of the **Economy and Enterprise Overview and Scrutiny Committee** held in **Committee Room 2, County Hall, Durham** on **Tuesday 29 September 2015** at **9.30 am**

Present:

Councillor R Crute (Chairman)

Members of the Committee:

Councillors E Adam, J Armstrong, A Batey, J Bell, J Clare, M Davinson, T Henderson, B Kellett, H Nicholson, R Ormerod, P Stradling and A Willis

Co-opted Members:

Mr T Batson

1 Apologies for Absence

Apologies for absence were received from Councillors D Hall, A Patterson and Mr I McLaren.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meetings held 23 June 2015 and 4 September 2015 were agreed as correct records and were signed by the Chairman.

4 Declarations of Interest

There were no Declarations of Interest.

5 Items from Co-opted Members or Interested Parties

There were no items from Co-opted Members or Interested Parties.

6 Media Relations

The Overview and Scrutiny Officer, Diane Close referred Members to the recent prominent articles and news stories relating to the remit of the Economy and Enterprise Overview and Scrutiny Committee (for copy see file of minutes). The articles included: Hitachi being impressed with the calibre of workers available in the region; the County Durham Taskforce which had said that the opening of the Hitachi development would be a catalyst for manufacturing in the region; a job boost in Consett with Surgical Dynamics creating around 40 jobs in the next few years; and the North East being reported as having the second highest tourism visitor growth in the country, noting increased visitors to attractions such as Beamish and Hamsterley Forrest.

The Chairman noted the positive stories, especially in light of the ongoing issues at Redcar in respect of the steel works.

The Chairman reminded Members that the Judicial Review concerning the Inspector's Interim Report on the County Durham Plan (CDP) had been reported in the media and welcomed the Spatial Planning Team Leader, Regeneration and Economic Development, Michelle Robinson to give the Committee an update as regards the matter.

The Spatial Planning Team Leader thanked Members for the opportunity to provide an update and asked the Committee to recall that the Inspector's Interim Report was received in February this year and had been very critical of the CDP's ambition, one comment being that the CDP was "too aspirational" in respect of job creation. It was explained that the Council had asked for the debate regarding the CDP to be reopened but this request was refused by the Inspector. Subsequent to taking legal advice, the Council asked for a Judicial Review. Members noted that last week the High Court made a resolution that the Inspector's Interim Report be quashed and accordingly, the CDP would now be withdrawn, updated in terms of evidence and then submitted back to Cabinet, going out for consultation in the New Year. It was explained that as the evidence base was as at 2013, it was good practice to update the evidence, prior to consultation early 2016. The Spatial Planning Team Leader concluded by noting that subsequent to consultation, the updated CDP would be submitted to the Planning Inspectorate for their consideration.

The Chairman thanked the Spatial Planning Team Leader and noted a further update would be received at the meeting of the Committee to be held 29 October 2015.

Councillor E Adam asked as regards the timescales in terms of consultation and consideration by the Planning Inspectorate. The Spatial Planning Team Leader noted that once submitted the onus would be on the Planning Inspectorate to avoid any further delays, carry out the examination quickly and report back in order to allow the CDP to be in place as soon as possible.

Resolved:

That the verbal update by the Spatial Planning Team Leader be noted with Members receiving a further progress update at the meeting on the 29 October, 2015.

7 Youth Employment Initiative (YEI)

The Chairman introduced the Strategic Manager, Progression and Learning, Children and Adults Services, Linda Bailey who was in attendance to give an update as regards the Youth Employment Initiative (for copy see file of minutes).

The Strategic Manager, Progression and Learning explained that the Youth Employment Initiative (YEI) was created to tackle youth unemployment across EU member states. It was added that County Durham was one of eleven areas eligible for funding and would effectively have, subject to fluctuations in exchange rates, around £17.87million, comprised of £6.7million YEI, £6.7million European Social Fund (ESF) and £4.47million of match funding. Members were asked to recall that the Government's Skills Funding Agency (SFA) had originally promised match funding, however, the Department for Work and Pensions (DWP) and the SFA decided not provide this funding. It was added that consequently, Durham County Council (DCC) decided to lead a partnership bid to ensure that the YEI funding was not lost, the partnership being "DurhamWorks". It was noted that the final application had been submitted and the Council was awaiting the outcome. The Committee noted that the YEI would focus on those aged 15 to 24 years of age, who were Not in Employment, Education or Training (NEET) and resident in County Durham, however, there was scope for flexibility and support those up to 29 years of age.

The Committee noted that the data used in terms of youth unemployment in County Durham came from 3 sources, namely: the Annual Population Survey; the Job Seeker's Allowance (JSA) Claimant Count; and the NEET Data by Local Authority. It was explained that while the number of those NEET aged 16-18 had fallen, the figure of 6.2% was too high, in the context of a national figure of just below 5%.

The Strategic Manager, Progression and Learning explained that DurhamWorks had worked with the North East Local Enterprise Partnership (NELEP) and the Wise Group in canvassing young people to obtain their views, and a snapshot of those views were included for Members' information, the full report available on request. Councillors noted issues young people felt important included: 1 in 10 young people reporting they felt they had a lack of IT skills; 40% of young people having suffered from stress, anxiety or depression; and 46% of young people feeling that a lack of experience as a barrier to finding a job. It was added that the information gathered would be used to lead more focused groups with young people, gathering more detail that would help develop the DurhamWorks programme.

Members learned that the DurhamWorks programme would follow a 3 strand approach:

- Strand 1: Transition, Peer Mentor and Employment Support;
- Strand 2: Engagement and Progression of Vulnerable and Disadvantaged Groups; and
- Strand 3: YEI New Employment Zone.

It was explained that for Strand 1, there would be 18 external partners involved to be able to provide one-to-one support for each young person together with support for employers to help them recruit young people and ensure employment is sustained.

The Strategic Manager, Progression and Learning added that Strand 2 would have a wide range of targeted activities, programmes and projects to engage young people and support their progression into the labour market. Members learned that young people furthest away from the labour market and with multiple barriers would be supported. It was noted that the Strand 2 would involve many smaller organisations and sub-contracts via a procurement exercise, once funding is secured.

The Committee noted that Strand 3 would involve substantial employer engagement and look to stimulate activities, including: supporting Small and Medium Enterprises (SMEs) to encourage apprenticeships; supporting social entrepreneurs and self-employment; helping to create jobs and apprenticeships with voluntary sector organisations.

It was explained to Members that the DurhamWorks programme would have governance arrangements that included: DurhamWorks Strategic Partnership, involving key partners such as JobCentre Plus; the Children, Young People and Families Partnership and County Durham Economic Partnership, as part of the overall County Durham Partnership arrangements; and a Young People's Reference Group.

The Strategic Manager, Progression and Learning explained that the next steps would be to await approval from the DWP as regards the partnership bid, and then to undertake a recruitment exercise in terms of the team to manage the delivery of DurhamWorks. It was noted that delivery was due to commence in October/November 2015, to continue through to July 2018, with the programme looking to support approximately 5,500 young people who are unemployed into employment, education or training. The Strategic Manager, Progression and Learning concluded by noting that it would be difficult to fit the programme into 2½ years as opposed to the original 4 years that was envisaged, however all those involved were committed and once the decision of the DWP was known, press releases and launch events would take place.

The Chairman thanked the Strategic Manager, Progression and Learning and asked Members for their questions on the presentation.

Councillor R Ormerod noted he was pleased that DCC was taking the issue of youth unemployment very seriously and were helping young people and highlighted the importance of making sure young people did not feel forgotten or marginalised. Councillor R Ormerod noted that the NEETs figures included the age range 16-18, and asked whether those would be removed as changes in legislation would mean young people were to remain in education up to the age of 18. The Strategic Manager, Progression and Learning noted the age of participation being raised to 18, however, it was added that this was encouraged, though not enforceable on young people or employers. It was added that NEETs figures would still be recognised by the Department for Education (DfE) and therefore DCC would continue to report NEET figures. Members noted that raising the age of participation would likely have a very small impact on NEETs figures, with Government having previously stated that they would revisit the issue should there not be any impact upon figures.

Councillor R Ormerod noted the Government's "Living Wage" would not apply to those 25 years of age or younger and added that several companies had stated they would therefore get around this by employing those under 25.

Councillor R Ormerod noted while he did not support this practice by employers, was there perhaps a silver lining in respect of there being the potential for a number of jobs opening up for young people under 25.

The Strategic Manager, Progression and Learning noted it was possible, however, this could simply shift the issue, though Members were reminded that there was flexibility within the programme to support those up to 29. It was added colleagues within Regeneration and Economic Development would be asked to note this in terms of any modelling exercises undertaken.

Councillor E Adam stated he felt the idea of the programme was fantastic and that it was good that DCC had the foresight to invest in young people. Councillor E Adam added he was disappointed that the match funding from the SFA was withdrawn leaving the Local Authority and partners to provide the rest especially in the context of cuts to funding for Local Authorities. Councillor E Adam asked: whether there was an element of geographical targeting in terms of NEETs; whether particular skills were being targeted, those that employers required; what “innovative” activities were planned; and how performance targets would be set, monitored, and how longer-term success would be judged.

The Strategic Manager, Progression and Learning explained that indeed geographical “hotspots” in terms of NEETs would be targeted, with mentoring and the sub-contracting stage looking at addressing these issues. It was added that rural areas would also be looked at, and while they may not have large volumes, there were other issues to consider and therefore it would be important to reach into those rural communities, again looked at during the sub-contracting phase. Members noted that there would be events involving local organisations in due course to highlight the programme and to encourage them to come on board.

In terms of skills, the Strategic Manager, Progression and Learning added that there was work ongoing with colleagues from the Council’s Regeneration and Economic Development directorate, Business Durham and the Federation of Small Businesses (FSB) to help regarding a focus group working with employers to develop pathways to skills and then in turn jobs. It was explained that several activities would help to “hook” young people and engage, such as involving sport, however, young people would be directed towards the skills relevant to employers and jobs. Members noted that all those involved would be trained to Level 6 in Information, Advice and Guidance (IAG) and there had been some engagement with the North East Chamber of Commerce.

The Committee noted that the target setting was awaiting the sign off between the Government and the EU regarding the Operational Programme (OP). It was added that the 5,500 young people to be engaged with was an estimate, with the EU to set the actual figure. Members noted that while it would be for DCC to track young people for 6 months, the Council would look to track beyond 6 months, for the 2½ years of the programme.

The Chairman noted the involvement of employers, and of the FSB, was encouraging and agreed that it was important to highlight to young people what jobs were actually available.

Councillor M Davinson asked: when the data that was used was gathered; were schools also involved, as they could provide early intervention; and whether there would be specific engagement with hard to reach families, working with those with generational worklessness for example.

The Strategic Manager, Progression and Learning explained that in terms of the data, the annual population survey was self-explanatory, representing the period April to March the following year, with the JSA and NEETs data being collated monthly. It was added that schools were involved, and those “at risk of becoming NEET” were monitored, with indicators looking at Year 9 and 10 pupils, with those that were eligible were signed up automatically once old enough. It was explained that changes to the scope from Government and the EU meant that preventative work was not possible under the programme, however, the One Point Service would help to prevent young people becoming NEET, with around 300-400 young people to be assisted via this route. In terms of hard to reach families, it was noted the programme would link to the “Think Family” agenda and, via the One Point Service and delivery partners, it was hoped to get the right mix of organisations involved in local communities.

Mr T Batson noted that the work of DCC to help get young people into work was excellent and to be applauded, and added that it was the “culture” that needed to be tackled in terms of young people being “ready for work”. Mr T Batson added that he felt it was important to help equip young people with the tools for them to be professional and flexible, enabling them to adapt and be resilient in a changing labour market and to be ready to move jobs, as necessary.

The Chairman reiterated the Committee’s disappointment as regards the withdrawal of the offer of match funding from the SFA, and added that once funding was secured that there would be a good opportunity for the Council and partners to promote what the council and partners have achieved.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further progress report on the development and delivery of the DurhamWorks programme at a future meeting of the Committee.

The Chair noted that, in order to best accommodate presenting Officers, it was perhaps preferable to take the Masterplan report as the next item. Members of the Committee agreed.

8 Masterplans for County Durham

The Chairman introduced the Regeneration Projects Manager, Chris Myers together with the Economic Development Team Leaders, Julie Anson (North East) and Jackie Donnelly (South West) who were in attendance to give an update as regards the Masterplans for County Durham (for copy see file of minutes).

The Regeneration Projects Manager explained that in terms of coverage, all County Towns have approved documents, and a refresh of the Masterplans will take place over the next 3

years. It was highlighted that the documents were used to bid for monies through the Capital Programme. Members were asked to note the success of Masterplans, with the Seaham Marina having received a National Civic Trust Award in the category "Recognising excellence in the built environment since 1959".

In terms of delivery, the Regeneration Projects Manager noted various activities carried out across the County, and noted work in Barnard Castle carried out with the Heart of Teesdale Landscape Partnership, funded by the Heritage Lottery Fund (HLF). The project will run until October 2016.

Councillors noted in Bishop Auckland that work was ongoing in partnership with Auckland Castle Trust and the Eleven Arches Trust on the delivery of their projects. It was added that work was ongoing with the Town Centre Team on town centre projects, including "shop jackets" to improve the appearance of vacant units. Members learned that the Council and the South Durham Enterprise Agency were working on a restoration of the former King James I school building.

The Regeneration Projects Manager explained that in Chester-le-Street, Chapter Homes had begun preliminary work in respect of bringing forward the former Council offices sites for residential development. A planning application is expected to be submitted in Winter 2016. Councillors learned that public realm works were being carried out in Consett, being on-site until Spring 2016, and continuing Targeted Business Improvements. It was noted that in Crook there was continuing public realm works with retail and high street works also taking place.

The Committee learned of activities in Durham City, including the licenced premises accreditation scheme, "Best Bar None", in partnership with Durham Constabulary and the University of Durham and it was noted that it was the eighth year of the voluntary scheme, with 39 premises taking part. Members noted that some participating Licensees had reported increased footfall, increased turnover and a fall in violence since the scheme's inception in 2008. It was added that the market place was managed to ensure no clashes between highway works with any cultural events or festivals.

The Regeneration Projects Manager reminded Members of the Hitachi development at Newton Aycliffe and the official opening, noting that there were other activities including town centre development, with demolition of some units and the development of a new entrance, new taxi rank and new bus stops. Councillors noted there were a number of proposed works for Peterlee town centre, with improvements to entrances, physical access, the bus station and target business improvements. It was added that the Council's Head of Economic Development and Housing was working with Tesco on the future of their site at Peterlee, as well as their site at Stanley. Councillors noted that at Seaham, there had been an allocation of £1.7 million from the Coastal Communities Fund, in respect of additional improvements including a boat hoist and additional pontoons, making a total of 100 pontoons. Members noted a HLF bid as regards maintaining coal chutes and lime kilns, as well as the implementation of the Seaham Housing Masterplan, a joint venture with the Homes and Communities Agency, which includes new residential development and the provision of a new school.

The Committee were informed of consultation relating to Church Street, the Town Square and the Cheapside seating area at Shildon, in addition to developing schemes at

Spennymoor including: improved links between housing growth and town centre (consultation August – September); continuing to support development opportunities for the Festival Walk site; and targeted business improvements. The Regeneration Projects Manager concluded by noting the support of improvements to major buildings in Stanley.

The Chairman thanked the Regeneration Projects Manager and asked Members for their questions on the presentation.

Councillor H Nicholson asked what the turnout was in respect of the consultation process at Bishop Auckland. The Regeneration Projects Manager noted that for the car park consultation, there were over 1,000 responses, noting major consultation events would be promoted via the internet.

Councillor M Davinson noted that every area was different and in some it appeared that Masterplans were good drivers in respect of improvements, and asked whether differences were taken into account and that where there were successes such as at Seaham, were lessons learned and taken forward in terms of other areas to refresh Masterplans accordingly. The Regeneration Projects Manager explained that Masterplans were tailored to the needs of each specific town and area, and Officers would look to target any funding streams that were available. The Economic Development Team Leader (SW) noted an example being the Stanley Masterplan from 2012 that had delivered many of the improvements, with it now being necessary to identify what was needed now in 2015/16, and then to identify methods of funding.

Councillor J Armstrong asked as regards progress with Festival Walk at Spennymoor, and what role DCC was playing. The Regeneration Projects Manager noted DCC did not own the site, and was working with the administrators in respect of issues, for example leases. Councillor H Nicholson asked that if the area was effectively a private enterprise, were DCC resources being used.

Councillor E Adam asked if there was a link to the Masterplan documents and a list of when they would be refreshed that could be shared with Members. The Regeneration Projects Manager noted that colleagues in Spatial Policy had produced plans, and the relevant links and schedules could be shared with Members.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee is kept updated on an annual basis on the development of the various Masterplans within County Durham.

9 EU Funding Programme

The Chairman introduced the Strategy and Partnerships Team Leader, Regeneration and Economic Development, Heather Orton who was in attendance to give an update as regards the EU Funding Programme (for copy see file of minutes).

The Strategy and Partnerships Team Leader noted that the EU Programme was not at the operational stage yet, reminding Members that the 2014-2020 programme had allocated

€537 million to the NELEP, with €157 million being allocated to Durham itself as a Transition Region.

Members were informed that the European Rural Development Fund (ERDF) programme was signed off, with the Government and EU negotiating in respect of the Operational Programme (OP) for the ESF. It was explained that the Rural Framework had been agreed and informed the development of the LEADER programme for County Durham, with further resources agreed through the European Agricultural Fund for Rural Development (EAFRD), to be distributed via the NELEP.

Councillors were reminded that since February 2015, EU governance arrangements had been confirmed, with “Open Calls” for funding having been released by the Managing Authorities, an example being for the YEI. It was added that while waiting for the agreement as regards the OP, DCC and partners were working together to develop various projects.

The Strategy and Partnerships Team Leader explained that the OP would contain the rules and outputs required. Members learned that Durham, as a Transition Region, would have ERDF resources (business support focus), being approximately 64% of the programme, and ESF resources (supports skills and social inclusion), being 34% of the programme. It was noted that the funding was not provided to the Council, rather DCC with the CDEP would have an advisory role, with ESIF sub-committees advising the DCLG who are the “Managing Authority”. It was noted the North East ESIF Sub-Committee would be chaired by Paul Woolston, who is also Chairman of the NELEP. The Committee were asked to note that issues to note included: match funding and co-financing, currently awaiting guidance; delays to the ESF OP; looking again at ESIF strategies on the basis of shifting economic priorities, noting the CDEP would look at this in January 2016; and fluctuating exchange rates, with the delays experienced resulting in effectively an 18% reduction for the region, based upon 6 month reviews.

Members were referred to Appendix 2, which set out the schedule of existing and emerging funding calls with the NELEP and County Durham. Councillors noted national local open calls would be linked to innovation, business support and low carbon, and Members noted the more detailed report concerning YEI that had already been received. Councillors noted “Building Better Opportunities” with the Big Lottery matching funds from ESF to tackle poverty and social inclusion, with the NELEP and Big Lottery being supported by Voluntary Organisations Network North East (VONNE). It was added that the first tranche had made £2.4 million available for activity in County Durham, with 4 potential lead partners from the voluntary and community sectors (VCS).

The Committee noted that there were now two local groups for County Durham in respect of the LEADER programme, with Durham Coast and Lowlands having an allocation of £2.1 million, and the North Pennine Dales having an allocation of £1.5 million. It was added that County Durham was taking a lead in respect of EAFRD, in developing a specific programme to support rural businesses and key tourism projects. It was noted that Community-led Local Development (CLLD) was a specific tool for managing ERDF and ESF for smaller community led interventions.

The Strategy and Partnerships Team Leader noted that governance arrangements within the Council, in respect of EU Funds, involved Members and Senior Officers and proposals

would be worked up once the OP was signed off, with delivery to commence early next year.

The Chairman thanked the Strategy and Partnerships Team Leader, asked Members for their questions on the report. The Chairman noted that he felt uneasy as regards some of the issues yet to be resolved, such as co-financing arrangements; the Department of Communities and Local Government (DCLG) as Managing Authority; and the reductions as reported from currency fluctuations, a consequence of the delays in agreeing the OP.

The Strategy and Partnerships Team Leader noted that Durham, as a Transition Region, had its allocation fixed at €157 million.

Councillor J Armstrong noted that he agreed with the Chairman in respect of delays and DCLG involvement.

Mr T Batson asked whether there would be any repercussions in terms of this particular funding should any referendum on EU Membership in the UK return a result backing an EU exit. Councillor H Nicholson noted as he understood, any funds that were allocated would be paid and added that he felt any "exit" would take a number of years, and potentially put at risk 140,000 jobs in the region. The Strategy and Partnerships Team Leader noted that there would be no impact on the current programme and the future management of the European Programme is being considered as part of devolution discussions, within the North East Combined Authority (NECA) area.

Councillor J Clare noted he was keen to have information on how the programme would be delivered once the OP was known and asked whether information on delivery plans would be brought forward in due course. The Strategy and Partnerships Team Leader noted updates would be provided to the Committee as appropriate.

Resolved:

- (i) That the report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive further reports as the programme progresses.

10 Quarter 1, 2015/16 Performance Management Report

The Chairman thanked the Performance and Improvement Team Leader, Regeneration and Economic Development, Gemma Wilkinson who was in attendance to speak to Members in relation to the Quarter 1, 2015/16 Performance Management Report (for copy see file of minutes).

Councillors noted that the general direction of travel for the performance indicators was positive with some of the key achievements in Quarter 1: the number of empty properties being brought back into use exceeding target; the number of apprenticeship starts

exceeding target; the occupancy of Business Durham properties had continued to rise, ahead of target; and the percentage of overall planning applications determined within deadline was now in line with target.

The Performance and Improvement Team Leader explained that tracker indicators showed positive trends including: a continued reduction in the numbers claiming JobSeekers Allowance (JSA); a reduction in those claiming JSA for 12 months or more; there was an improvement in the number of net homes completed from the previous quarter, however, less than the same quarter the previous year; and a reduction in the number of homelessness presentations to the Housing Solutions Service, although the number of preventions fell. It was added that due to changes in the definition regarding homelessness, performance cannot be compared with the same period last year.

Members noted that progress had been made with Council Plan and service plan actions, including: delivery of Auckland Castle Trust projects; physical regeneration projects at Seaham, Peterlee and Consett; highways works to construct a new roundabout at Sunderland Bridge; countywide roll out of the Private Landlord Accreditation Scheme; and further progress with the Digital Durham programme.

The Committee noted key performance issues included: only 164 jobs being created as a result of Business Durham activities, below a target of 600; and the number of private sector properties being brought back in use through Local Authority intervention was below target, however was higher than the same period last year. It was added that tracker indicators had shown that the employment rate had fallen slightly, and was still lower than regional, national and statistical neighbour rates. Members noted that other tracker indicators had shown that: the proportion of working age population currently not in work who wanted a job had risen from 12.4% to 13%; the number of people rehoused via Durham Key Options (DKO) had reduced from the previous quarter and was less than the corresponding period last year; and gross disposable income per head for the county was below both the North East and national rate.

Members noted progress with Council Plan actions that had not achieved target, including: progress with the CDP, noting the update provided earlier; a revised date for the obtaining of planning permission for a Western Relief Road, linked to the CDP; traffic flow improvements in Durham City put back to September 2017 from October 2016 as a result of funding delays; issues with design and construction of electricity supply delaying the development of infrastructure at Merchant Park 2, Newton Aycliffe; and a slight delay in terms of the feasibility study in respect of Bishop Auckland Town Hall, now November 2015.

The Chairman thanked the Performance and Improvement Team Leader and asked Members for their questions on the report.

Councillor M Davinson noted the underperforming figure of 18% in terms of the people commencing a first-time degree who were resident in County Durham when they started, and asked whether there was any additional information as regards retention of graduates in our area.

The Performance and Improvement Team Leader explained she would liaise with colleague in the Children and Adults Services directorate as regards obtaining any information available in this respect.

Councillor J Clare noted the roll out of Universal Credit and asked that, in the context of comments from the Office of National Statistics, were figures in relation to JSA worthless and whether there was a feeling of a petering out or general slowdown in terms of economic activity. The Chairman added that a true picture was required in terms of those in receipt of benefits. The Performance and Improvement Team Leader noted that Officers were looking at the issue of being able to report such figures in a meaningful way in future, in order for them to be comparable nationally and regionally.

Mr T Batson noted the performance as regards planning applications and added that his experience was that the Planning Section were very helpful and that the performance against timescales did not necessarily give an indicator of the quality of performance. The Performance and Improvement Team Leader noted that the Planning Development Team were looking to refresh the satisfaction surveys that were used post-planning application.

Councillor H Nicholson noted that the report inferred that 54% of those starting apprenticeships did not continue past 15 months, and asked whether there was information on those people's destinations upon leaving the apprenticeships. Councillor H Nicholson also asked whether the level of uptake of the Private Landlord Accreditation Scheme could be considered poor and if there were any plans to reinvigorate and attract more landlords. Councillor M Davinson noted that the scheme had originally piloted in the New Kyo area, then to be rolled out countywide this quarter and therefore the figures would likely be reflected within the next quarterly report. The Vice-Chairman, Councillor A Batey added that the Accreditation Team was now visiting areas to help encourage landlords to join the scheme, again hopefully to be reflected in Quarter 2 figures.

Resolved:

That the report be noted.

11 Quarter 4, 2014/15 and Quarter 1, 2015/16 Revenue and Capital Outturn

The Chairman introduced the Finance Manager, Resources, Azhar Rafiq to speak to Members in relation to the Quarter 4 2014/15 and Quarter 1 2015/16 Revenue and Capital Outturn (for copy see file of minutes).

The Finance Manager noted for the Quarter 4 2014/15 Revenue and Capital Outturn the areas that were reported upon: the General Fund Revenue Account, the Housing Revenue Account (HRA) and the Capital Programme for the RED Service.

Members noted the service was reporting a cash limit underspend of £1.395 million at Quarter 4 2014/15 against a revised annual General Fund Revenue Budget of £44.077 million. Members noted the major variances fell within Planning and Assets, with the detailed explanations as set out within the report. The Committee were informed that the service grouping had delivered against Medium Term Financial Plan (MTFP) savings.

The Committee noted that the HRA for 2014/15 represented the last year of the Council as landlord with the stock now having been transferred to the new County Durham Housing

Group on 13 April 2015. It was added that for 2014/15 there were no major issues and the variances within the HRA being set out within the report, noting a surplus of £17,879.

As regards the Capital Programme 2014/15, the Finance Manager explained that the actual spend was reported as £76.078 million split between the General Fund (£33.252 million) and HRA (£42.826 million). Members noted a breakdown of the major capital projects and further details were given at Appendix 3 to the report.

The Chairman thanked the Finance Manager and asked Members for their questions on the Quarter 4 finance report.

Councillor M Davinson thanked the Officer for the details of the Capital Programme activities as set out at Appendix 3, noting the information was interesting and useful and added that similar detailed breakdowns would be useful at other Committees.

Councillor E Adam noted that the actual spend in relation to DurhamGate represented only 12% and asked for reasons for this. The Finance Manager noted that he would have thought it was simply a profiling issue, with the balance being carried forward into the 2015/16 budget.

The Finance Manager noted for the Quarter 1 2015/16 Forecast of Revenue and Capital Outturn the areas that were reported upon were the General Fund Revenue Account and the Capital Programme for the RED Service.

Members noted the service was reporting a cash limit underspend of £0.293 million at Quarter 1 2015/16 against a revised annual General Fund Revenue Budget of £24.959 million. It was explained that a proportion of the budget in respect of Transport, an element that was received as grant, now fell under the responsibility of the NECA as Transport Authority, this accounting for the reduction in this budget. Members noted the variances within the budget, with the detailed explanations as set out within the report. The Committee were informed that the service grouping was on track to deliver against Medium Term Financial Plan (MTFP) savings for 2015/16 of £1.3 million.

The Committee were reminded that subsequent to the transfer of housing stock, a separate ring-fenced HRA was no longer required, although it was noted that there would be some residual transactions reflecting a short period of activity in 2015/16, and that some associated costs in terms of delivering stock transfer had been met from retained reserves.

As regards the Capital Programme 2015/16, the Finance Manager explained that the actual spend for the first 3 months was reported as £3.600 million with the revised budget being £40.612 million. Members noted a breakdown of the major capital projects in terms of 2015/16 were given at Appendix 2 to the report.

The Chairman thanked the Finance Manager and asked Members for their questions on the Quarter 1 finance report.

Councillor H Nicholson asked what the line within the report under transport referred to, noting an underspend of £13,000 in relation to legal costs for Durham Tees Valley Airport. The Finance Manager noted that DCC was a shareholder, as were several other Local Authorities, and this represented where the responsibility lay as a shareholder, within the remit of the Head of Transport.

Resolved:

That the reports be noted.

12 Minutes of the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 14 July 2015 were received by the Committee for information.