



County Durham
Economic Partnership

MINUTES

Meeting	County Durham Economic Partnership Board
Date of Meeting	Tuesday 11 th October 2016
Time	13.00 – 15.00
Venue	The Farnham Room, County Hall

Attendees:

Brian Tanner	Chair
Sue Parkinson	Vice Chair & Chair of the Business, Enterprise & Skills Group
Cllr Neil Foster	Cabinet Portfolio Holder for Economic Development and Regeneration, Durham County Council
Simon Goon	Business Durham
Margaret Vaughan	County Durham Community Foundation
Carol Daniell	Job Centre Plus
Simon Hanson	FSB
Andy Palmer	Head of SPP, Durham County Council
Ian Thompson	Director of Regeneration and Economic Dev
Geraldine Kay	Derwentside Homes
Tarryn Lloyd Payne	Strategy & Partnerships, Durham County Council
Angela Brown	Strategy & Partnerships, Durham County Council
Michelle Robinson	Spatial Policy, Durham County Council
Richard Baker	NELEP

1. Welcome

BT welcomed everyone to the meeting today and introduced MV who is attending today on behalf of Barbara Gubbins and welcomed MR and RB who would both be presenting today.

2. Apologies

Neil Graham	Chair of Durham City Board
Arun Harish	CPI
Alison Gittins	Durham Business Club
Cllr Eddie Tomlinson	Chair of Rural Working Group
Jon Gluyas	Durham University
Michelle Gorman	Visit County Durham
Sarah Robson	Chair of Housing Forum
Barbara Gubbins	County Durham Community Federation

3. Minutes of the last meeting

These were agreed as a true record.

4. Matters Arising

There were no matters arising and all actions are complete.

5. Economic Bulletin and Performance – Andy Palmer

AP discussed the Economic Bulletin and Performance Report which was circulated with the papers. He mentioned that measurers for the Partnership over the last few years have seen a slow and steady improvement in the employment rate. The latest economic data for Co Durham shows mixed messages. The number of residents employed and the number of jobs in the County has grown but unemployment has dipped. In relation to the Brexit vote there has been a lot of speculation but for most analysis it is too early to determine the degree of uncertainty.

BT thanked AP for his update and for developing this bulletin.

6. Business Confidence in County Durham – Simon Goon

Overall it doesn't feel like very much has changed. Key highlights from discussions with partners mirrors some of the national picture including;

- It is a "taught" confidence rather than really believing it.
- People are just continuing on.
- Post-Christmas will start to give a clearer picture on business trends.
- We are aware of scores of businesses making decisions on contracts. No one is really talking about Access to Finance being an issue.

The board discussed opportunities in the current economic climate, including the forthcoming Apprenticeship Levy and possible exporting opportunities.

SH commented and emphasised the negative territory for confidence and is at its worst since 2012, although Access to Finance issues have been easing. SH further highlighted the rise in employment for first quarter this year and increase in numbers of members wanting to grow. However, despite the mixed picture there are evident signs of increasing labour costs, but not the living wage, so this will have further impact. Some members are optimistic whilst there are challenges for others.

RB had attended the same meeting with the Bank of England as SG and felt that it was interesting to hear comments about uncertainty before the vote and then panic now as have levered into more uncertainty of what will happen once the reality becomes evident. There is a real worry about labour supply.

SP had asked the question at the last BES meeting and was much of what has already been discussed. Definitely a mixed picture. She reported that Job Centre Plus had mentioned they still had employers coming to them. CD supported this and mentioned current and active contact and engagement information sessions with businesses.

7. Strategic Economic Plan Refresh – Richard Baker

RB gave a presentation to the Board on where the NELEP are in relation to the SEP refresh.

The key messages looking forward are:

- The need to focus on improving the size and productivity of our business base
- Strengths and good recent performance in key areas

- Existing and emerging industrial strengths, each of which provide opportunities for innovation and international engagement
- A growing service sector with capacity to provide higher skilled jobs
- Use the full range of resources to drive and accommodate growth for our labour force
- A tightening labour market – focus needed on both demand and supply of people and skills
 - Growth in replacement demand as population ages and progression
 - Address mismatches between supply of skills and demand
 - Large number of younger and older people are out of work
 - Too short careers escalators, risk of outflow of higher skills

The board discussed key issues relating to the proposed strategy. Areas of discussion included;

- Investment uncertainty connected to Brexit and use of the strategy in securing private finance. RB mentioned that this would be taken into account for a future investment plan.
- Spatial context needs to be thought through to ensure a spatial narrative that brings the key elements of the document together. RB mentioned that in relation to rural areas they are doing a piece of work on 5G with the digital leaders group and they have a list of things that need to be done before it goes live.
- BT thanked RB for his informative presentation

8. County Durham Plan – Michelle Robinson

MR gave a presentation on the County Durham Plan. She recapped on the issues and options for the plan and the consultation. She mentioned the preferred options list:

- Will contain Policies on specific areas
- Will identify development needs to 2033
- Will contain allocations to meet identified needs
- Informed by a suite of evidence which will also be available during consultation

BT thanked MR for attending today to give her update

9. Devolution Update – Neil Foster

NF gave an update on devolution and the deal that had been sought to ensure it was right for Durham. NF updated the board on the key principals of the negotiation with ministers. These included the elected Mayor and a fair funding deal. Discussions were held with ministers and treasury but it was felt that they couldn't give us sufficient reassurance needed and promises were not strong enough to take things forward therefore Government took us out by withdrawing the deal.

BT thanked NF for this information

10. EU Programme – Sue Parkinson

There is a huge amount of activity coming from Government before the Autumn Statement.

Had urgent call from Treasury for a list of projects in the pipeline, which is needed by Thursday, so SP has been working on this with Heather Heward and this is now complete and submitted.

On the operation side there have been calls for Durham only for PA1 and 3 and next week at the ESIF Committee will see the result of that. SP praised the work stream leads for their continuous hard work and support.

- PA4 continues to be a massive problem. The Category of Regions Guide should be out after the Autumn Statement.
- DurhamWorks now have 100 plus on the programme which is excellent.
- Durham now have representation on the Project Boards for Durham, SP is rep for Community Grants delivery Board and LB sits on the NEETS delivery group.
- The SFA Opt in has been extended for 3 months. This is good news; hopefully it will be extended beyond the July date.
- Jeremie 2 has been approved and gone through ESIF as full application.

11. Business and Enterprise Framework

SG discussed the Business & Enterprise Framework with the Board members. It is now nearing the end of the consultation period and is due to go to DCC Cabinet in the next month. Have secured resource from DCC to develop an online portal,. The next steps are to:

- Translate this framework into an online resource that can be continuously developed.
- Refine the business competencies analysis
- Monitor and report the County's performance using the agreed measures and targets

Recommendations: CDEP Board is asked to approve the contents of this report and endorse the next steps to implement the Business and Enterprise Framework. - This was agreed

12. Partner and Working Group Updates

BT invited the chairs to provide updates:

Sue Parkinson – BES

All seems tied with EU. Durham has been awarded Social Enterprise status which is great news. At last meeting we had a presentation from BE Group regarding the Durham International Festival of Enterprise which is exciting.

Margaret Vaughan – VCS

It is survey time at VCS at the moment. Vonne do annual surveys across the North East. The dataset is not large. The surviving or thriving latest results are out, 72% have had an increase in number of beneficiaries as an impact to cuts and services. The general message is there is a higher demand for services.

Simon Hanson

FSB have commissioned IPPR to do a Northern Powerhouse report on opportunities going forward.

Workstreams have been set up by the FSB around EU to see what the impact will be from a small business prospectus

13. Any Other Business

BT thanked everyone for attending today's meeting and made special thanks to SG and SP for the work that has been carried out to get the BES Framework to this stage.

14. Date and Time of next meeting

7th February 2017 at 1pm