

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 **Thursday 30 March 2017** at **9.30 am**

Present:

Councillor A Batey (Vice-Chairman in the Chair)

Members of the Committee:

Councillors E Adam, J Armstrong, A Batey, J Clare, M Davinson, D Hall, C Kay, B Kellett, H Nicholson and A Willis

Co-opted Members:

Mr T Batson

Also Present:

Councillor E Tomlinson

1 Apologies for Absence

Apologies for absence were received from Councillors R Crute, T Henderson, J Maitland, A Patterson, P Stradling, O Temple and Mr I McLaren.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the meeting held 23 February 2017 were agreed as a correct record and were signed by the Chairman.

4 Declarations of Interest

Mr T Batson declared an interest in relation to Item 8, Quarter 3, 2016/17 Performance Management Report, his company having taken on apprentices via the County Council's apprenticeship scheme.

5 Items from Co-opted Members or Interested Parties

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

6 Tourism Marketing Activity Undertaken by Visit County Durham (VCD) Scrutiny Review Report - Update on Progress of Recommendations

The Chairman introduced the Managing Director, Visit County Durham (VCD), Michelle Gorman and the Marketing and Information Manager, VCD, Sarah Johnson who were in attendance to give an update as regards the progress of recommendations from the Tourism Marketing Activity Undertaken by Visit County Durham Scrutiny Review Report (for copy see file of minutes).

The Marketing and Information Manager referred Members to the report set out in the agenda pack and noted she would explain the key elements.

The Committee noted that recommendation 1 made reference to partnership marketing and it was explained that VCD worked with England's Heritage Cities in terms of an augmented reality "app", which includes Durham, launching today to showcase our heritage offer, targeting those aged under 35 in the United States. Members noted other activities including the UK Countryside Tour and a Christian Heritage Tour and an episode of "Ben Fogle's Great British Adventures", an online series, with that particular episode commissioned by VCD in conjunction with the support of strategic partners, Hamsterley Forrest and Durham Heritage Coast Partnership. It was noted the episode had over 280,000 views to date.

Members were informed that the spring 2017 national marketing campaign was "heritage" and launched in 2 weeks, in partnership with Beamish Museum, Durham Cathedral and Durham University, with contributions towards online content with the Guardian newspaper.

Councillors learned that VCD continued to work with travel organisations who represent key points of entry to the County, including the Port of Tyne, Newcastle and Durham Tees Valley Airports, Virgin East Coast and TransPennine Express to identify opportunities to promote Durham through their activities.

The Marketing and Information Manager added that key events had included the first season of Kynren, and the Open Treasure development and that plans were in place for 2017 in terms of Kynren, Lumiere, and a new partnership had been secured in terms of the Bishop Auckland Food Festival.

Members noted a redesign to the "this is Durham" place branding to provide not only a platform to promote the county as a place to visit, but also as a place to invest, live, work and study.

The Committee noted that in relation to recommendation 2, in terms of the "this is Durham" website, it had been relaunched in August 2016, following a full redesign. It was noted that the number of people accessing the site via mobile technology had increased, with those accessing via mobile now accounting for 63% of the traffic.

It was noted that new areas of the site developed included Kynren and Open Treasure with further areas to include: family fun; golf; and weddings.

Councillors noted that website performance was good, with the number of unique visits exceeding 100,000 on 3 occasions during 2016 and being on track to achieve 1,000,000 for the year.

The Marketing and Information Manager explained that the national landscape had changed and Visit England no longer ran domestic marketing campaigns that individual destinations could participate in. However, VCD had continued to identify national marketing opportunities which would be beneficial for VCD and partners including the previously mentioned Ben Fogle's Great British Adventures and a national initiative with TripAdvisor for an enhanced presence for Durham on their site.

Members noted in respect of recommendation 6 that VCD had been heavily involved in shaping the Northern Tourism Growth Fund programme and in helping Durham become a lead destination delivering a key project for the programme. It was explained that the new place brand for County Durham was "this is Durham, place of light", and was not just in terms of visitors but also in promoting Durham as a place to live, work, and study. The Committee noted that the brand was developed in conjunction with Business Durham and the national launch had been at the House of Commons with MPs and business leaders.

Councillor D Freeman entered the meeting at 9.41am

Councillors watched a promotional video, "this is Durham, place of light", highlighting County Durham as a great place to live, work, invest, study and visit.

The Chairman thanked the Officers for their update and congratulated VCD on the excellent video. The Chairman noted that she felt that people travelling via the Port of Tyne would seem to prefer Northumberland or Alnwick and asked how we could encourage more people to visit County Durham.

The Managing Director explained that some Councillors had previously asked for information in this regard and figures had been provided to those Members, however it was added that data available from 2013-14 showed that from those entering via the Port of Tyne, the most visited attraction was Durham Cathedral, followed by Alnwick. It was added that there was the Durham Pocket Guide that was produced, with this being available at the Port of Tyne, directing visitors to Durham City and the wider County and its attractions. The Marketing and Information Manager added that an itinerary was being developed for the Port of Tyne and that she was confident that Durham was a main draw in terms of visitors coming to see the Castle and Cathedral, and also our other attractions such as Beamish and the Durham Dales.

In terms of information and data, the Managing Director noted that there was approximately 60 cruise ships that would arrive at the Port of Tyne during 2017, with approximately 3,000-5,000 passengers per ship. It was noted this gave an idea in terms of the potential number of visitors, however, the only data obtained was from the ship operators in terms of planned excursions, with any ad-hoc trips not being included.

It was added that it would be the additional spend in terms of refreshments and also in terms of paid attractions that would be of benefit to our local economy.

Members were reminded that VCD and the North East Tourism Alliance worked with gateway partners in terms of highlighting visitor attractions.

The Chairman asked if it would be possible to work with the Port of Tyne and operators in terms of a questionnaire to ascertain the destinations passengers intended to visit. The Managing Director noted that it had been looked at in terms of the operators, however, it was felt the best route was via the Port of Tyne themselves, and would continue to chase more up-to-date data from them.

Mr T Batson noted that as a businessman, and in dealing with people from the south of the country, people in general had not been to the North East for a visit. Councillor J Clare added that he felt the work of VCD in promoting the County was fantastic, especially the use of social media which he felt was spectacular. Mr T Batson agreed and reminded Members how far we had come in terms of promoting the county since Local Government Reorganisation in 2009, and that VCD staff should take great pride in their achievements.

Resolved:

- (i) That the update report be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive a further report detailing progress made against the recommendations contained within the scrutiny review report at a future meeting of the Committee.

7 Quarter 3, 2016/17 Revenue and Capital Outturn

The Chairman introduced the Principal Accountant, Resources, Paul Raine to speak to Members in relation to the Quarter 3, 2016/17 Revenue and Capital Outturn (for copy see file of minutes).

The Principal Accountant noted that for future Revenue and Capital Outturn reports, the areas covered by the former RED Service were now part of Regeneration and Local Services (Real).

Members noted the service had reported an outturn position with a cash limit underspend of £1.010 million against a revised annual General Fund Revenue Budget of £27.399 million, in comparison to the Quarter 1 estimate of £0.299 million. 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 delivered the Medium Term Financial Plan (MTFP) savings for 2016/17 of £1.118 million.

As regards the Capital Programme 2016/17, the Principal Accountant explained that the actual spend to date was £26.581 million against a revised budget of £36.582 million with a breakdown of the major capital projects given at Appendix 2 to the report.

The Chairman thanked the Principal Accountant and asked Members for their questions on the report.

Mr T Batson asked if, where was any element of underspend, Central Government would approach the authority in terms of claw back. The Principal Accountant noted that Central Government gave Local Authorities a settlement and that there were plans in terms of budgets for 2018/19 and 2019/2020.

Councillor J Clare noted on page 30 of the agenda papers the figure in relation to employees and asked whether this referred to posts not filled upon successful application for early retirement or voluntary redundancy. He suggested that if this was the case that the remaining staff would have additional workloads and added that Members were grateful for the hard work and effort of all staff in these circumstances and their continued excellence in their work was appreciated. Councillor J Armstrong commented that he agreed with the comment made by Councillor J Clare and that staff throughout the Authority needed to be thanked for their hard work.

Resolved:

That the report be noted.

8 Quarter 3, 2016/17 Performance Management Report

The Chairman thanked the Performance and Improvement Team Leader, G Wilkinson who was in attendance to speak to Members in relation to the Quarter 3, 2016/17 Performance Management Report (for copy see file of minutes).

The Performance and Improvement Team Leader reminded Members of the bringing together of Regeneration and Economic Development and Neighbourhood Services to form the Regeneration and Local Services and that work was ongoing in terms of the datasets for 2017/18. Members were reminded of the new “dashboard” summary page included within the report to help present the performance information in a more concise and user-friendly way.

Members noted: an increase in the employment rate, still below the regional and national levels, however the highest since December 2008; a positive direction of travel in terms of the number of people claiming Job Seekers Allowance (JSA) or Universal Credit; and an increase in the number of working age population not in work who want a job, better than the north east average, though below the England average. It was added that the number of apprenticeship starts through County Durham schemes was 184, ahead of the 100 target. It was noted that the number of apprenticeship starts that had been sustained for 15 months or more (at December 2016) was 710, equating to 67% of those via the scheme. It was added that 17 of those were DurhamWorks clients.

The Committee learned that in terms of housing performance: 434 private sector properties had been improved through Council intervention, ahead of target; 94 empty properties had been brought back into use, ahead of target however below the 2015 figure, within the context of Cluster Bid activities in 2015 which boosted those numbers; and with 59 landlords in the process of renovating, via the Council loan scheme. It was added that in terms of housing delivery 64 affordable homes were delivered, less than the target of 125 and less than the 257 delivered in the same period in 2015.

It was noted that changes in funding and legislation were impacting upon the numbers and therefore Officers would take this on board and try to understand the impact in terms of the delivery.

In relation to Homelessness, the Performance and Improvement Team Leader explained that number of homelessness preventions had decreased and the Officers involved had explained that there had been a number of complex cases with a number of agencies involved and activities such as finding secure accommodation were increasing the timescales involved. It was added that work was being undertaken to understand needs, trends and causes.

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

Mr T Batson noted an interest insofar as he had taken on an apprentice at his business via Durham County Council's apprenticeship scheme, and was looking to take on a further apprentice in addition.

Councillor C Kay noted the actions of the Community Action Team (CAT) and Housing, via Chris Clark, Private Sector Initiatives Officer and thanked them for their excellent work addressing the problems associated with empty homes and hoped that going forward that their good work would continue. The Chairman added that the CAT provided great interventions and would recommend Members to contact them to see if they could help with any such issues in their electoral division. Councillor H Nicholson noted that work of the Private Sector Initiatives Officer and the CAT were different, however that he agreed their work was excellent, having secured around £800,000 and reduced the number of empty properties significantly in his division. Councillor H Nicholson supported the sentiments of other Members and added that the work had helped to bring communities back to life. Councillor M Davinson noted he also had positive experiences of the work of those teams and added that another aspect that should be acknowledged was that the initial Homes and Communities Agency (HCA) funding was being recycled to bring further empty properties back into use and this was something the Portfolio Holder and the Authority should be proud of, in supporting a scheme which works.

Councillor J Clare noted he was pleased to see that the Authority is now measuring employment via employment figures/APS from the Office of National Statistics as he felt the JSA figures were not particularly useful. He added that looking at the figures for the net new homes completed in Durham City the figure was in line with 12 months prior and the number in terms of all homes completed in and near all major settlements was better than 12 months prior. He asked whether those statistics suggested that the building of homes is not taking place in villages and this has impacted negatively on the number of net homes completed. Councillor J Clare added that he wondered whether this was also attributable to Planning having to revert to the NPPF and saved Local Plans and whether this was "knocking back" development in rural areas more.

The Performance and Improvement Team Leader noted that the data provided would seem to suggest that the short fall is a result of homes not completed outside of major towns or in relation to major settlements it could be total completions rather than net completions however this would be checked and a response prepared for the Councillor.

Resolved:

That the report be noted.

9 Refresh of the Work Programme

The Chairman asked the Overview and Scrutiny Officer, Diane Close to speak to Members in relation to the Council Plan 2016-2019 – Refresh of the Work Programme (for copy see file of minutes).

The Overview and Scrutiny Officer explained that the report highlighted work that had been undertaken by the Committee within the past year and also looked forward to seek suggestions from Members to be included within the Committee's work programme for the forthcoming year. Members were reminded that the aims and objectives were aligned to those of the Council Plan and associated plans, as well as the Altogether Wealthier priority theme. It was explained that the work programme for 2017/18 would need to include further updates on a number of items considered in 2016/17, systematic reviews of recommendations in previous scrutiny review reports, focused scrutiny meetings and additional areas of overview activity.

The Overview and Scrutiny Officer noted possible areas for review, however, a further report would come back to Committee in June for Members' consideration.

The Chairman thanked the Overview and Scrutiny Officer and noted it was good to see all of the work that the Committee had undertaken, with a lot of achievements in respect of some difficult topics. She added that the new Committee after the County Council elections would decide on a finalised work programme, however, asked Members for any comments they may have.

Councillor J Armstrong noted that he felt the topic of the County Durham Plan (CDP) was one that would need to be looked at by the new Committee. Councillor H Nicholson noted that the recent Housing White Paper on the issue looked to consult further and this would have a knock on effect. The Principal Overview and Scrutiny Officer, Stephen Gwilym reminded Members of the recent update in terms of the White Paper and Industrial Strategy Green Paper and that Officers would report back periodically with updates as further information was received.

Councillor J Clare noted that he was delighted that retail was set out within paragraph 11 of the report and added that broadband provision was an important issue, with Councillor J Armstrong adding especially in rural areas.

Councillor C Kay noted he was looking forward to the information coming forward in terms of the performance of the new County Durham Housing Group (CDHG) and how this would compare in terms of the performance of the previous providers.

Councillor E Tomlinson, Portfolio Holder for Assets, Strategic Housing and Rural Issues noted that bungalows were being built for the first time in Crook and that the stock programme was ahead of schedule. Councillor H Nicholson added that there were issues in terms of properties, for example some in Eldon, where there were groups of empty properties that were being sold off individually rather than developed as an area or demolished.

Councillor E Tomlinson commented that north east will be strongly lobbying Government in terms of housing and funding for demolition to enable regeneration.

Resolved:

- (i) That the Economy and Enterprise Overview and Scrutiny Committee note the information contained in the Altogether Wealthier priority theme of the Council Plan 2016 -2019.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee at its meeting on 29 June 2017, receive a further report detailing the Committee's Work Programme for 2017 -2018.

10 Minutes of the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 7 February 2017 were received by the Committee for information.