



County Durham  
Economic Partnership

## MINUTES

<b>Meeting</b>	County Durham Economic Partnership Board
<b>Date of Meeting</b>	Tuesday 17 <sup>th</sup> October 2017
<b>Time</b>	13.00 – 15.00
<b>Venue</b>	Lanchester Wines, Greencroft Estate, Annfield Plain

### Attendees:

Brian Tanner	Chair
Jon Gluyas	Durham University
Simon Hanson	FSB
Sue Parkinson	Vice Chair & Chair of the Business, Enterprise & Skills Group
Alison Gittins	Durham Business Club
Carol Daniell	Job Centre Plus
Neil Graham	Chair of Durham City Board
Michelle Gorman	Visit County Durham
Barbara Gubbins	County Durham Community Federation
Cllr Ossie Johnson	Chair of Rural Working Group
David Usher	Durham County Council
Ray Brewis	Durham County Council
Tarryn Lloyd Payne	Strategy & Partnerships, Durham County Council
Angela Brown	Strategy & Partnerships, Durham County Council

### 1. Welcome

BT welcomed everyone to the meeting and initiated round the table introductions; he especially welcomed Cllr Ossie Johnson who has recently taken on the role as Chair of the Rural Working Group. He thanked RB and DU for coming along today to give presentations. He also mentioned that the Board were very grateful to TC for the invitation to visit Lanchester Wines and also thanked him for providing lunch. BT commented that it was impressive to see the wind turbines and renewable energy being used on the industrial premises.

### 2. Apologies

Arun Harish	CPI
Ian Thompson	Director of Regeneration and Economic Dev
Sarah Robson	Chair of Housing Forum
Sarah Slaven	Business Durham
Cllr Carl Marshall	Durham County Council

**3. Lanchester Wines – Tony Clearly**

TC welcomed the CDEP Board members and mentioned that they regularly have tours for businesses to look around. Lanchester Wines is a leading UK based wine merchant and importer which was established in 1980. He said that they supply a wide range of quality premium wines to the licensed on-trade and off-trade. Customers include, pubs, clubs, bars and hotel chains to high street retailers and off-licenses. They have an extensive wine collection from all over the world. The Company has “Carbon minus” status which means they produce more energy than they use. Being green is very important and the company is well on the way to being the greenest wine business in the world. They have invested heavily in renewable energy generation. Business is powered almost completely by renewable wind and solar energy.

The company has recently bought Spicers of Hythe and Bon Bons, the latter being a confectionary business based in Wetherby.

Lanchester Wines aims to employ 500+ people. They currently have 461 people within the business, including 91 in Bon Bons and 24 in Kent, with 346 based here. All here are local people and the company is one of the biggest employers in the area. The bottling site is open 5 days a week, but the site operates 24 hours a day. It has seen a drop in sales with regards to Brexit and currency changes.

BT thanked TC

A discussion took place around investment on heat pumps and turbines. TC mentioned they were on a good tariff for the turbines and they should pay for themselves in 5-6 years. He had hoped that the heat pumps would show a return in 4-5 years but it looks like it will now be more like 5-6 years and has cost a lot more than anticipated.

**4. Minutes of last meeting**

The minutes from the meeting on 4<sup>th</sup> July 2017 were agreed as a true and accurate record

BT mentioned that this may be Barbara Gubbins’ last Board meeting and therefore thanked her for her work and time with the Board over the years and wished her well for the future.

**5. Matters Arising**

In relation to prioritising prevention, BT informed the Board that he had written to Stuart Corbridge regarding the action: ‘University to consider wider engagement in Prevention challenges’ but as yet has not had a reply.

**6. Economic Bulletin – David Usher**

DU thanked the Board for the invitation to come along today to present. He discussed the Economic Bulletin:

- Employment – The latest figures for April 2016 – March 2017 estimate that 71.5% of county’s 16-64 population were employed. This is slightly higher than the regional level of 69.8% but lower than national level of 74.3%.
- Jobs – total number of jobs in the county grew by around 5,300 between 2010-16 which saw an increase of 3.2% more than regional growth of 3.1% but less than national growth of 9.8%.
- Business Growth – In 2017 there were 13,790 businesses and enterprises, an increase of 20.5% from 2010 and an increase of 5.8% from 2015.
- Gross Value Added (GVA) – In 2015 total GVA in County Durham was £8,042m, 14.3% higher than the £7,034m in 2009 and a 2.1% increase from 2014. This represented 16.2% of total GVA in the North East in 2015

- Gross Domestic Household Income (GDHI) – This increased by 19.1% to £8.1m in 2015, from £6.99m in 2009 and an increase of 3.7% from the previous year.

BT mentioned there was an increasing gap for County Durham in relation to the UK average for disposable Income and GVA per head. The gap is widening and it is a historic pattern. Earnings are an issue. People are busy but they are not earning high wages.

It was agreed that there are issues with the data especially in relation to figures for self-employment. The data only counts the self-employed as being people who are VAT registered and this is not always the case, especially in County Durham. Self-employed people on zero hours contracts may also not be returned reliably.

BT thanked DU for the update.

## **7. County Durham Investment Pipeline – Ray Brewis**

RB gave a presentation to the Board in relation to the Investment Pipeline. He outlined the objectives:

- New investment to attract jobs, houses and residents to the County
- High quality jobs
- To improve the County's employment rate and offer
- A highly skilled and educated workforce
- Housing growth to diversify the housing stock from poor quality housing to high quality, energy-efficient homes
- Better place to reside and visit, to make County Durham a more attractive place and significant visitor destination for the North

RB informed the Board that there is almost £13bn of recent or ongoing investment across the county and showed case studies of the projects.

NG mentioned the Horden Project and how Accent has major issues with housing and is selling off properties in the area. He welcomed the £13m being invested, as this will be complementary to housing. It is good to see Durham County Council investing in areas of the county that have seen no investment over the last ten years.

BG commented that on bringing something to the area can make a big difference and she related this to the 'Tommy' statue at Seaham, many people had been attracted to Seaham as a result and she felt it would be good to see something similar to this in Horden.

SP felt we need to be tying in money for social benefits, not just for financial income. Need to have a discussion on how we can create tie-ins. BT agreed that this is exactly what the partnership is about.

BT asked the Board members if they felt the investment had the right balance in geographically. The scale is important. It was agreed that Durham City should soon be in a position where it takes care of itself.

DCLG have done an assessment purely on projects across the county. This is how they have decided how many houses are needed to be put into each local plan, the County numbers having been cut right back. RB mentioned it had been very useful to come along today and the discussion/comments will help with moving forward the Investment Pipeline.

**8. EU Update – Sue Parkinson**

SP gave a presentation to the Board updating it on the County Durham European Programme 2014-2022.

ERDF – This is still operational and taking expressions of interest for the next three years. Durham's allocation has transitional status. The CDEP has a voice on the ESIF Committee and is reasonably well positioned to make decisions. She shared the ERDF programme position for August 2017 which shows the Investment Priorities under each Priority Axis, the applicant name and Project Name, Project Description, ERDF requested from Durham's allocation and the Project End date. SP showed what is still left to spend, there being still lots of unallocated money. We fought to get transitional status and the inability to spend the allocation is an embarrassment. .

ESF – Again there is unspent money in this area.

Current Calls – SP discussed the current calls and the value in each Priority Axis and the closing date for all these calls

SP mentioned there have been some excellent projects to date, but discussed the implications of non-spend. She urged Board members to think of projects and possibly speak to RB for investment opportunities.

**9. Working Group Chair Updates**

*Durham City Board* – NG informed the Board that the last meeting of the Durham City Board had had an interesting presentation of the University Masterplan and the Mount Oswald Project

*Rural Working Group* – OJ mentioned that he was grateful for the invitation to be a CDEP Board member. He has recently taken over as Chair on the Rural Working Group and had attended his first meeting a few weeks ago. This is steep learning curve. BT mentioned that it is very much appreciated that OJ agreed to take on this role.

**10. VCS Update**

BG mentioned that a new chairman had been appointed for The County Durham Community Foundation last month. He is James Fenwick of Wolsingham who will have a new perspective. One of his priorities as Chair of the Charity will be to try to tackle the fundamental issue of lack of aspiration in County Durham.

**11. Any Other Business**

There was no other business to discuss

**12. Date and Time of next meeting – Tuesday 6<sup>th</sup> February 2017 @ 1pm**