

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 11 January 2018** at **9.30 am**

Present:

Councillor A Batey (Chairman)

Members of the Committee:

Councillors E Adam, J Atkinson, J Clare, R Crute, D Hall, T Henderson, P Howell, P Jopling, L Maddison, R Manchester, P Sexton, L Taylor, M Wilkes (substitute for R Ormerod) and M Wilson

Co-opted Members:

Mr T Batson

1 Apologies for Absence

Apologies for absence were received from Councillors M Clarke, M Davinson, J Maitland, R Ormerod, A Patterson and E Scott.

2 Substitute Members

Councillor M Wilkes substituted for Councillor R Ormerod.

3 Minutes

The minutes of the Special Meeting held 24 October 2017 were agreed as a correct record, subject to the inclusion of apologies for absence from Councillor M Davinson. The minutes of the meeting held 2 November 2017 were agreed as a correct record.

4 Declarations of Interest

Councillors P Howell and M Wilkes declared an interest in Item 7, Durham Key Options, as private landlords.

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: the support offered to a local micropub in Durham City, with targeted business improvement monies being used to add a traditional sign that was in keeping with the historic building; Bishop Auckland town centre being chosen as a heritage action zone and attracting funding; a company investing at Seaham, Vivarail, creating 30 jobs at the Spectrum Business Park with assistance from Business Durham; and the revised Consett Masterplan, with a focus on tourism.

Councillor J Clare noted that the Heritage Action Zone designation for Bishop Auckland was wonderful news and could help open up opportunities for funding. He added not to forget the nearby Shildon and Darlington Railway and noted the bicentennial of the Darlington to Stockton railway in 2025. Councillor J Clare noted that this would require the three Local Authorities to work together and included elements such as investment in the track-bed and to keeping “a track” as regards planning and heritage issues.

Resolved:

That the presentation be noted.

7 Durham Key Options - Progress

The Chairman introduced the Housing Manager, Housing Solutions, Marie Smith who was in attendance to give an update on Durham Key Options (for copy see file of minutes).

The Housing Manager explained she was presenting the report on behalf of the Housing Team Leader, John Kelly and that it would look at the Durham Key Options (DKO) Lettings Policy Review 2017.

Members noted the background to the item, with DKO being the choice based lettings (CBL) scheme for County Durham, with one policy operated by partners. It was added that it had been reviewed and changes implemented in April 2017, and feedback now followed from a 6 month review.

The Housing Manager noted that there were around 11,000 people registered on the scheme and the previous “Manchester Model”, with quotas for each of the band, had been removed making the scheme more user friendly, with a reduced number of complaints. It was noted that there had been no negative comments in terms of the removal of the quotas.

It was explained that there were now 4 bands, with 1 representing the highest need, with allocations made in date order. It was added that while there were 11,000 registered, not all were active, the latest figures per band being: 1 – 382; 2 – 3,516; 3 – 1,044; and 4 – 4,245.

The Housing Manager explained that the second change looked at within the review was the new medical framework, which had involved Occupational Therapists. It was noted that this had moved from 3 categories to 2, "High Need" and "Need". It was noted that there had been a positive impact with a 26% increase in house moves by those assessed with a medical need.

Members noted the time-limit for Band 1 applicants and the removal of the threatened with homelessness priority and the removal of the wanting larger accommodation, with overcrowded applicants continuing to be assessed under their needs and given Band 1 or 2 depending upon the severity. Councillors learned that there were no new transfers (where there was no housing need) for those that had previously moved in the last 12 months. It was added that all rent arrears were being assessed, not just those over 8 weeks, resulting in an increase of 56% in terms of applicants being disqualified due to arrears. It was noted that the refusal letter now included information as regards further support from partners in terms of managing debt and arrears.

The Housing Manager noted that in respect of affordability, in the past this had not been part of the checks carried out in the public sector, now a software tool was used in order to determine whether people could afford to move to a larger property. It was noted that there were some exceptions, such as: fostering/adoption families; applicants with a medical need where a bedroom cannot be shared; pregnant applicants; and applicants requiring a carer to stay overnight.

Members noted that the DKO Board had set up three subgroups to look at the affordability procedures, DKO website and the application form.

The Chairman thanked the Housing Manager and asked Members for their comments and questions.

Councillor J Atkinson noted that when looking at the figures in terms of those disqualified, the number varied across the organisations, and asked why some were performing better. The Housing Manager noted she would check with the Housing Team Leader as in could be in connection with numbers of people being contacted again. Councillor J Atkinson also asked as regards a standard partnership approach in terms of telephone call handling, noting difficulty in contacting Livin.

Councillor L Maddison asked if there had been an increase in rent arrears. The Housing Manager noted that those via DKO had not seen a large increase, though other changes, such as welfare reform had impacted with a slight increase. Councillor L Maddison asked whether it was possible to know as regards those applicants from outside of the area, how many had required adjustments to the property in order to meet a medical need, and whether this had increased.

The Housing Manager noted she would check, though she noted around 3-4 months ago the number was very small, with the majority of those with medical needs coming from within our area. It was added that there was a summary annually giving a breakdown and this could be provided to Members.

Councillor L Maddison asked as regards the affordability check and whether this was in place for all partners, as stated, not excluding those applicants that need the most help. The Housing Manager noted that this was now in place, no one had been refused and that it was one tool used to help applicants.

Councillor P Jopling noted 500 exemptions in terms of rent arrears and asked if this could lead to more homelessness, adding she had spoken to Officers who had noted that rent from new housing was more expensive and therefore she worried as regards the provision of affordable homes. The Housing Manager noted that there was a broad policy statement in terms of arrears; however, each partner had their own procedure, interviews and assessments. It was explained that if not the fault of the tenant then a plan could be developed for that person. She added that again each partner had their own processes in terms of disqualified applicants, with Housing Solutions having a referral mechanism in place. The Housing Manager noted there were discussions with housing providers in terms of policy moving forward.

Councillor E Adam thanked the Housing Manager for her presentation and asked if the data would be better analysed independently to ascertain what changes were beneficial. The Housing Manager noted that Durham County Council (DCC) looked in-depth at the data, with the providers having the front facing aspect with the customers.

Councillor M Wilkes asked if all individuals in arrears were sat down with in terms of discussions relating to them being disqualified from DKO. The Housing Manager noted Housing Providers do this, and there was an expectation to do so. It is noted that if an individual wished they could be referred to Housing Solutions, and often clients were willing to be referred. Councillor M Wilkes asked of the 541 disqualified for rent arrears, what proportion were then referred to Housing Solutions. The Housing Manager noted she did not have that information to hand and would check as regards this. Councillor M Wilkes asked if all partners were audited and checked to ensure they were all operating the same. He added if it was possible to see what proportion against the number of properties as his worry was that most of those rejected came from private rent with higher arrears and he did not want to see people stuck in private rent. The Housing Manager noted that partners were audited in terms of application forms, bids, lets, however she would look for more information in terms of policing compliance. Councillor M Wilkes noted recent press articles referring to Durham as being near the top in terms of having the most empty homes, and he had noted from Officers that there were around 1,600 that were social housing, and while he understood in terms of the difficulty of renting some properties in certain areas, there needed to be a look to try and bring these properties back into use. The Housing Manager noted at the Council's Housing Manager, Shirley Janes had been looking at those figures and a number were not available to let for a number of reasons and therefore the latest figures were low.

Mr T Batson noted that some affordable rent properties that were new build would likely be more energy efficient and therefore have lower energy bills; however, this could be reflected in higher rents for such quality. The Housing Manager noted she was not sure; however it could be an area to be looked at.

Councillor J Clare noted he felt that DKO was wonderful and asked if all Local Authorities had a similar overarching lettings policy in their areas. The Housing Manager noted that CBL as an option was brought in across the country in 2007, with a number of Local Authorities setting up such as policy, however, some dropped out, leaving a mix nationally.

Councillor J Clare asked if some people are not allowed to reapply for a period of 12 months, how were void costs avoided, where people are not allowed to move to a larger property. The Housing Manager noted each provider would have a cost for a void in terms of inspection and repairs to make the property fit for rental. Councillor J Clare noted he did not understand void costs, and those described seemed to be change costs, not void. Councillor J Clare noted the changes had been well received by customers, however, the change were for the benefit of the providers, not the customers. He asked as regards Universal Credit and rent arrears, the number active on the register, and that as 3-4 bed properties were the more difficult to rent then was there not a self-perpetuating issue in terms of affordability and rental of these larger properties, again with a fear of forcing people into unsuitable private rental. The Housing Manager noted that the biggest impact was on the customers in terms of the removal of the quota system. She added that in terms of where Universal Credit had been introduced and there were delays, there were arrangements in place to ensure no one who was awaiting an overdue payment would be evicted if that was why they had fallen into arrears. In terms of demand for types of property, the Housing Manager noted there had been shifts in types, with a number of those looking to rent being single people and therefore innovative solutions, perhaps including shared tenancies for example, maybe required, with the County Durham Housing Group having piloted this.

Councillor P Howell asked why the target of 60 empty homes back into use was chosen given there were thousands and noted it would be interesting to see the geography and house type for those empty properties. The Housing Manager noted that the number brought back into use was 120, double the target, and assured Members that getting empty homes back into use was high on the agenda.

Councillor P Jopling noted that she had attended a local office with a resident in terms of rent being paid directly to a provider from benefit, and ask if this something providers should be pushing for. She also asked as regards the health bandings and wondered if two bands were sufficient. The Housing Manager explained that in terms of direct payment from Universal Credit, there had to be arrears first and then there would be a conversation with providers. In relation to the health bands, these were developed in conjunction with colleagues from Occupational Health.

Councillor J Atkinson noted that while the Council had transferred its housing stock, public perception was that they were still "Council housing" and accordingly Members would face queries. He added that there needed to be a more consistent way to communicate with the Providers in order to help assist Members and residents with their queries. The Housing Manager noted she could not speak for all providers, but could raise the issue as regards Member engagement at the next DKO Board meeting.

Councillor J Clare noted many registered providers had good communications with their Local Members, however added there was no consistency.

Resolved:

- (i) That the Economy and Enterprise Overview and Scrutiny Committee note the progress report and presentation.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes in its work programme for 2018/19 a further report monitoring the progress of Durham Key Options
- (iii) That the concerns highlighted by the Committee regarding the need for a more consistent way for Councillors to communicate with the Providers in order to help assist Members and residents with their queries be passed to the County Durham Housing Forum and the Durham Key Options Board.

8 Chapter Homes - Progress

The Chairman introduced the Development Manager, and Chief Executive Officer of Chapter Homes, Peter Coe and the Chief Development Officer, Richard Roddam who were in attendance to give a progress update on Chapter Homes (for copy see file of minutes).

The Chief Executive Officer reminded Members that he and the Chief Development Officer were both officers of the Council and Chapter Homes and the was a Service Level Agreement (SLA) as regards how their time was managed. Members were asked to recall that in December 2013 the Council's Cabinet asked Officers to explore the option of a Housing Development Company to compete in the open market, as residents had approached Councillors to note the poor quality of some properties for sale, also offering an opportunity for the Authority to capitalise on land sales. It was noted that in July 2015 Chapter Homes was established and 4 pilot sites were agreed, with the first being at Newton Aycliffe, now known as Eden Field.

The Chief Development Officer explained that work began on the Eden Field site in December 2016, and a tender process led to Gentoo, now Tolent, being appointed for the design and build and they had been very good in terms of delivery. He added that initially there was to be 125 homes, however this increased to 143 due to demand and trust in the Chapter Homes Brand. He added that an additional area of land had been purchased from Great Aycliffe Town Council to enable those extra homes to be built. Members were informed that the 12 affordable units for the development had already been delivered and sold to Livin for rental at affordable rent. The Chief Development Officer noted that house builders looked at 3 sales per month as standard, with Chapter Homes already hitting this target. It was noted that Chapter Homes have the option to rent properties and that people had contacted Chapter Homes looking to rent properties.

Members were referred to a photograph showing the site prior to construction and site plans showing what the completed development would look like. Councillors noted pictures showing the exteriors and interiors of the homes, with high specification, and noted the mix of house type. The Chief Development Officer noted that the site had been earmarked for development, however, there were a series of consultation events with the community and Great Aycliffe Town Council, and subsequently there had been little objection at the planning stage.

It was noted while there were no bungalows on the Eden Field development, a Chapter Homes bungalow product was being worked on. The Committee noted a picture showing the entrance to the estate, with a Sustainable Urban Drainage System (SuDS) to the front of the site, making the site appear more open with feedback being that this added to the appeal of the development.

The Chief Development Officer noted that the properties sold to Livin and let at sustainable rent were mixed in with the other house types and from the exterior you could not tell which were rental and which were private properties. It was noted that in terms of the show home, Chapter Homes had worked with Next to design and fit out, helping to give an excellent quality first impression.

In terms of moving forward, the Chief Development Officer Chapter Homes would look at land with potential for development, either purchasing Council sites, or privately owned land should an appropriate opportunity arise. It was added that completion of Eden Field was scheduled for August 2019, with work commencing on the next development at Oakerside, Peterlee. Members noted a bid for the open market sale of the former Chester-le-Street District Council Offices site and that there would be a finalised business plan looking at the strategic direction and to have a pipeline of developments in place to aim to deliver around 100 units each year.

The Chairman thanked the Chief Executive Officer and Chief Development Officer for their presentation and asked Members for their comments and questions.

Councillor P Howell asked if there were any reasons why the brand had attracted such a good reputation and noted the affordable rent properties being delivered first to allow them to be sold to Livin quickly. He also asked as regards exceeding targets, and whether the aim was throughput to the market or to bring money into the Authority. He also noted sales, private rent and affordable rent via Livin, and asked if there were two levels of rent.

The Chief Development Officer noted that there was a conscious choice to have the brand standalone from the Council; however, a lot of work was undertaken in terms of the show home and the advertising of the development in the appropriate "glossy" magazines. It was noted that the properties were of an excellent quality, and while not at the highest end of scale, they were not budget properties. It was noted that while the branding was deliberate, when speaking to customers, there was some reassurance in terms of the Council being the shareholder. In terms of the design and property sales, the Chief Development Officer explained that it had been noted that the 2 bedroom properties were a more difficult sell and when the properties were sold to Livin, there had been a lot of interest in these at affordable rent. It was added that many people did not realise Chapter Homes produced smaller properties in addition to the larger ones, though now all but 20 properties have been reserved. In relation to targets and how many were sold and the aims, the Chief Development Officer noted the initial was for 3 per month and the aim was to bring money into the Authority. The Chief Executive Officer noted that there was the initial outlay in terms of finance and sales were at breakeven in terms of the balance sheet, with the Chief Development Officer adding that profit had been made from the last few sales. The Chief Development Officer noted that in terms of rent, they were different, with Livin being affordable rent. It was added that there was demand for the Chapter Homes product, with many choosing to rent while looking to save to be able to buy in the future, facilitating further sales.

Mr T Batson was aware of the Chapter Homes brand and noted the large size of Tolent and asked if there was not an opportunity for greater profits, in terms of the economies of scale with a large company. He also asked if there were opportunities for smaller companies and suppliers within the development, and also in terms of training for local people such as apprenticeships.

The Chief Development Officer noted that initially the company was Gentoo, and then Tolent; however, Chapter Homes made use of a consultant to work through the costings to ensure there were correct and adjusted for the North East. He added that in terms of suppliers, it was important to ensure many were from the area, with the majority actually being local. It was noted that when people moved into their new home, there was a hamper of local produce to help advertise what we have got on offer in the County. Members noted that 3 firms in relation to the steel work were local to County Durham.

Councillor P Sexton noted the former District Council offices site at Chester-le-Street and the plans for around 52 houses, and asked as regards how confident Officers were in being able to deliver. The Chief Development Officer noted a lot of work had gone into the bid, with an excellent scheme and the location offering good potential prices for properties. He reiterated that a lot of work had gone into the figures and felt that it would stand up against any housing developer; however, a large supermarket bid for example could prove difficult to compete against, with there being no restriction on the use for the land. Councillor P Sexton noted from his experience, people in the area would welcome houses on the site. The Chief Executive Officer reiterated that the site was on the open market for competitive bids.

Councillor P Sexton noted the successes so far in terms of sales and asked as regards further developments and plans, would there be further investment to grow the scale or to just feed back into the Council coffers. The Chief Development Officer noted this was a matter that the Chapter Homes board would be discussing.

Councillor M Wilkes noted he fully supported the work of Chapter Homes and asked for further information in terms of the rental properties that Chapter Homes operated. The Chief Development Officer explained that Chapter Homes owned the properties and they were managed by the Council's Lettings Team under a SLA. Councillor M Wilkes noted it was difficult to bring empty private properties back into use, though the Authority did have some powers to do so. He noted he hoped more could be done under these powers and not just to develop more and more new properties, leaving some areas without any regeneration. The Chief Development Officer noted that this would not be an area for Chapter Homes, although the Council's Housing Manager, Shirley Janes and her team would be the people to look at opportunities in this area.

The Chief Executive Officer noted that prior to the Council setting up Chapter Homes, there had only been Lewisham Council that had undertaken a similar move, though he was not sure whether their company was still operating. He noted other neighbouring Authorities had asked as regards the model, though some did not have the requisite land supply.

Councillor E Adam noted he had not been aware of the private rented properties under Chapter Homes and asked if the financial data would be something the Committee would be made aware of. Councillor P Jopling asked if the pricing was competitive.

The Chief Development Officer noted that consultants had helped in terms of the pricing, though these were evaluated monthly in terms of increases. Councillor P Jopling asked whether any of the properties were leasehold. The Chief Development Officer noted that there were no leasehold properties and indeed it was never entertained as something that Chapter Homes would look to do.

Councillor P Jopling asked as regards the house types and tenure. The Chief Development Officer noted that 10% of the Eden Field site was to be affordable rent, and all those properties had been delivered. He added that future schemes, such as Oakerside, had the relevant amount as per planning policy. Councillor P Jopling asked if the Authority had received a dividend, the Chief Development Officer noted not yet.

Councillor J Clare noted Chapter Homes was excellent and addressed issues, such as broadband provision, very quickly. Councillor J Clare asked if there was any tension in terms of Chapter Homes a developer and social valid concerns. He added that he would wish Chapter Homes to grow and in time to be able to take on the less attractive sites and be able to deliver where other private sector companies would not be able to.

Councillor J Atkinson asked as regards the Eden Field development with those rented by Chapter Homes, those by Livin and privately owned homes and whether the tenancy agreements were policed to ensure the standards for a Chapter Homes development were being maintained. The Chief Development Officer noted that Chapter Homes had worked with Livin in terms of the ensuring tenancies were in line with the sales agreements, such as restricting of the parking of works vans. He added Livin were very acutely aware of the expectations and the tenants so far had been fantastic.

Resolved:

- (i) That the Economy and Enterprise Overview and Scrutiny Committee note the progress report and presentation.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee includes in its work programme for 2018/19 a further report monitoring the progress of Chapter Homes

9 County Durham Plan - Progress

The Chairman introduced the Spatial Planning Team Leader, Michelle Robinson who was in attendance to give a progress update on the County Durham Plan (for copy see file of minutes).

The Spatial Planning Team Leader asked Members to recall the last update at Committee in October 2017, with Cabinet in November 2017 receiving a new timetable and a response from the Council to the Government consultation on "Planning for the Right Homes in the Right Places". Members were reminded of the history of the County Durham Plan (CDP) and that the current position in terms of having paused and more recently having a figure in terms of housing need of 1,368 units per annum. The Spatial Planning Team Leader noted that the original projections made in June 2016, using Office of National Statistics (ONS) data from 2012, had been for between 1,500 and 1,700 per annum, however, using 2014 ONS data the range was more in line with the 1,368 figure.

It was noted that Government suggested that Local Authorities could go higher than their figure if an Authority's Plan was based on job-led aspirations, however, Government had yet to explain to Local Authorities how they would go about doing so.

The Spatial Planning Team Leader noted that the Council's full response to the Government consultation was attached at Appendix 2 and it was reiterated that Cabinet in November 2017 had agreed the new timetable in terms of the CDP, with the preferred option stage in June 2018. It was explained that Government had suggested there would be further consultation and a National Planning Policy Framework (NPPF) update. She added that Cabinet would agree each stage and there would be more consultation on the CDP prior to submission, with Member Briefings, drop-in sessions and reports back to the Economy and Enterprise Overview and Scrutiny Committee.

The Chairman thanked the Spatial Planning Team Leader and asked Members for their comments and questions.

Councillor M Wilkes noted he felt that the problem with the first iteration of the CDP was building too many houses. He added that the Government saying that Local Authorities could go beyond the figure given, if the plan was job-led, and that this could mean that the CDP was back to square one. He noted that Councillors should not allow the process to be completely Officer-led and ensure that backbench Councillors could feed into the process. The Chairman noted that the Committee was cross-party and there was a lot of opportunities to input, with workshops sessions and she felt that Members had been kept informed. Mr T Batson agreed with the Chairman and added that the CDP had been "approved", in terms of support from local people whilst being consulted upon. He added that he had always noted there needed to be an element of flexibility in terms of planning in order to maximise opportunities, and not to be too "set in stone". Councillor M Wilkes noted the previous estimates for the number of homes for the Durham area and reiterated that there was a need for Councillors to be able to have their say.

Resolved:

- (i) That the Economy and Enterprise Overview and Scrutiny Committee note the progress and receive regular updates in terms of Government guidance advice and potential changes.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee note the Council's response to the consultation on "Planning for the Right Homes in the Right Places".

10 Quarter 2, 2017/18 Revenue and Capital Outturn

The Chairman introduced the Principal Accountant, Paul Raine to speak to Members in relation to the Quarter 2 Revenue and Capital Outturn 2017/18 (for copy see file of minutes).

The Principal Accountant reminded Members of the areas reported upon, the General Fund Revenue Account, and the Capital Programme for Regeneration and Local Services. Members noted the service was reporting a cash limit underspend of approximately £0.263 million at Quarter 2 2017/18, against a revised General Fund Revenue Budget of £27.756 million. Members noted the major variances were set out within the report and that the service grouping was on track to maintain spending within the cash limit and more details were contained within Appendix 2 to the report.

As regards the Capital Programme, the Principal Accountant explained that the budget now stood at approximately £43.472 million, with a breakdown of the major capital projects given at Appendix 3 to the report. Members noted the spend to date of £13.55 million and were reminded that many capital programmes profiles were such that they completed in the final quarter and it was anticipated that the projected outturn at 31 March 2018 would be in line with the revised budget.

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

Councillor P Howell noted within the table at section 7 of the report, Subjective Analysis that some elements had been almost spent up to budget in the half-year, yet other elements, such as supplies and services had not spent as much. The Principal Accountant noted that it would depend upon schemes and how they were profiled over the year. Councillor P Howell noted the same for Capital, and asked if there would not more benefit in being able to get work undertaken early in terms of efficiency and delivery, and would comparison to a half-year budget not be more beneficial in terms of understanding the position. The Principal Accountant noted he would look into the reporting including the half-year budget.

Councillor J Clare noted the underspends in terms of Visit County Durham (VCD) and Housing Solutions, adding that these were vital services and he hoped that any vacant posts would be filled as soon as possible. He also noted the delay in terms of an award linked to skills development. The Principal Accountant noted that VCD had made MTFP savings early and that in terms of the award regarding employability and skills, the Authority were awaiting Government to deliver this.

Councillor M Wilkes noted that within paragraph 4 of the report there were a lot of adjustments and good use of reserves, however, he asked whether these were an intention to spend more or to prevent delays. The Principal Accountant noted that, for example, the transport cash-limit was in terms of one-off projects regarding traffic management, not managing overspends.

Resolved:

That the report be noted.

11 Quarter 2, 2017/18 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 2, 2017/18 Performance Management Report (for copy see file of minutes).

The Performance and Improvement Team Leader reminded Members of the different types of indicators reported, Tracker indicators and Target indicators and the performance reporting arrangements for 2017/18 would be via a number of key performance questions (KPQs), aligned to the "Altogether" framework of six priority themes.

Councillors noted that the key achievements in Quarter 2 included the employment rate having increased since the last quarter, with this having been the trend over the last few quarters. It was added that the rate was above the regional average, though below the national average. It was added that the number of young people ages 18-24 claiming Job Seekers Allowance or Universal Credit was below the regional level, however, was above the national average, though it was a lot lower than it had been in the recent past. The Performance and Improvement Team Leader noted in terms of apprenticeships, the Chairman had asked previously as regards how sustainable those in our area were in comparison to other areas. She added that after speaking to the Officers involved it had been noted that the scheme and model operated in Durham was not always replicated in other Local Authorities and therefore the comparison that was made was by those via the National Apprenticeship Service (NAS).

The Performance and Improvement Team Leader noted the performance in terms of empty properties being brought back into use, as previously discussed by Members. It was added that in terms of Tourism and VCD, in comparing 2016 data to 2015, there had been an increase in the number of visitors, 3%, though the vast majority, 93% were still day visitors and not overnight stays. It was added that the tourism spend was up around 3.6%, with a breakdown provided in the report. Members noted feedback in terms of: what was working well - attractions, eating out, road signposts and cleanliness; what was making progress – things to do, visitor information points, local produce, accommodation and parking; and where there could be improvement – distinctive shopping experience, nightlife, public transport and cleanliness of public toilets. It was added that additional information with further breakdown could be found on the VCD website.

The Chairman thanked the Performance and Improvement Team Leader, noted that VCD were scheduled to come back to Committee on 5 April 2018 and asked Members for their comments and questions on the performance report.

Councillor L Maddison noted that tourism was important to the vibrancy of our town centres and it was important to be able to encourage people to stay in the County when they visit and asked how we could achieve this. The Chairman reiterated VCD would attend in April; Councillor L Maddison noted this and asked if VCD could be given a signal as regards answering this question.

Councillor P Howell asked for reference what the figure regarding those staying overnight was the previously report year, in order to compare to the 2016 figure. He added that it was important for Members to be able to see trends and therefore be able to spot areas that were progressing and those that were not.

Councillor P Howell also asked as regards apprenticeships and noted 1 in 4 were not completing 15 months, he did not feel that this was a good rate, though asked for clarification as regards what a good rate would be. The Chairman noted that the Committee, through a Working Group, had looked at this and the progression beyond year 2 of an apprenticeship and the reasons why. The Performance and Improvement Team Leader added that the figure also included those that had not reached 15 months yet.

Councillor J Clare noted previous questions and comments relating to empty properties and asked for more information. He added that he was astonished as regards the "Vale of Durham" having been the most visited area. The Performance and Improvement Team Leader noted VCD could provide more details; however, this area did include attractions such as Locomotion and Beamish, very popular attractions.

Councillor R Manchester noted the significant increase in the homelessness preventions and while it remained low asked whether, if there was further increases in demand, there was capacity. The Performance and Improvement Team Leader noted the increase could be due to a number of factors, increased awareness through the service promoting itself, and possibly linked to welfare reform, however it was noted the service was preparing for changes in legislation in terms of homelessness prevention and there was capacity. The Chairman added that there would be a more proactive approach in terms of preventions and early interventions.

Councillor M Wilkes noted on pages 86 and 87 of the report the figures in relation to the maintenance of the roads, with the Council's performance in terms of main roads being very good, ahead of most of the country. He added that side streets were not the same and suggested an amount was allocated in terms of side as these were areas which Councillors received a lot of calls about. Councillor E Adam noted this was an issue being looked at by the Environment and Sustainable Communities Overview and Scrutiny at its next meeting.

Councillor J Atkinson reiterated a point he had made at previous meetings in terms of apprenticeship sustainability. He had asked if the interview process in terms of matching young people to apprenticeships was robust and asked whether using 15 months as a measure of success was correct. He asked in terms of those 18-24 and out of work, was there a further breakdown in terms of issues such as capability. The Performance and Improvement Team Leader noted that in terms of the measure regarding 18-24 year olds out of work, this was a national measure and there were sub-sections that may be useful for Members.

Resolved:

That the report be noted.

12 Minutes from the County Durham Economic Partnership

The Minutes of the meetings of the County Durham Economic Partnership held 17 October 2017 were received by the Committee for information.

13 Scrutiny Committees and Site Visits

The Overview and Scrutiny Officer reminded Members of upcoming dates in terms of Committees and site visits, including 12 February 2018, when Members were invited to a Special Meeting of the Environment and Sustainable Communities Overview and Scrutiny Committee looking at the Heritage Coast. It was noted as regards a site visit to the Heritage coast on 29 March 2018. Members noted a site visit to the Chapter Homes Eden Field site on 27 February 2018 and that the next meeting of the Retail Support Working Group would be held on 25 January 2018.