

COUNTY COUNCIL

18 JULY 2018

QUESTIONS FROM AREA ACTION PARTNERSHIPS

WEARDALE AAP

Aggregate companies, such as Heights Quarry in Weardale, are charged an aggregate levy of £2/tonne, which last year raised £500,000 for the Treasury. Prior to its withdrawal by the Coalition Government in 2011, an element of this levy was used as a Sustainability Fund as a 'force for good' in the area of extraction. The Mineral Products Association is currently lobbying the Government to reinstate the Fund and for a 7 pence/tonne of the levy to go back into the community. Would the Council be minded to support this lobbying Campaign?

RESPONSE FROM COUNCILLOR C MARSHALL

I would like to thank Weardale AAP for their question.

The Mineral Products Association proposals for a new Aggregates Levy Community Fund would see 8p per tonne of Aggregates Levy revenue being allocated to fund local community projects and biodiversity and nature conservation projects.

Given County Durham is a major minerals producer a proposal to benefit local communities and their environment where mineral extraction is taking place would be welcomed by the Council and as Portfolio Holder I would suggest we support the Mineral Products Association's lobbying campaign.

QUESTION FROM BISHOP AUCKLAND AND SHILDON AAP

The Bishop Auckland and Shildon AAP, along with our neighbour Spennymoor AAP, have done all we can to support the Southern Community Local Led Development (CLLD) European funding programme, which has secured over £2 million of European resources for the next four years. The benefits of programmes such as this are significant and far reaching. We would therefore like to know if the Council is working with its partners to ensure that the National Government is aware of the importance to continue regeneration funding for the County post Brexit ?

RESPONSE FROM COUNCILLOR C MARSHALL

I would like to thank BASH AAP for their question.

All Members will be aware that nearly all central government regeneration funding has ceased over the last eight years. Brexit now means that European Funding will also disappear. The North East and County Durham has benefitted extensively from these funds and it is vital that along with the other LEPs and LAs affected by this we influence Government on future funding for regeneration post Brexit.

European funding has always been allocated based on economic need. County Durham and Tees Valley benefit more than elsewhere in the North East as the funding recognises our relatively lower level of economic performance. Over the last 9 years, the Government has ceased regeneration funding on the basis of need, replacing it with short term, competitive bidding processes for funding on a national basis. This has greatly disadvantaged areas like County Durham and makes the replacement of European funding, post Brexit, a critical issue for us.

The Government is proposing to introduce a UK Shared Prosperity Fund, as a replacement to European funding, which it states will be designed to 'reduce inequalities between communities' and deliver 'sustainable, inclusive growth'.

The Council has been working with its partners to develop its thinking on what an 'ask' for Durham would be in relation to the proposed UK Shared Prosperity Fund. In January 2018 a Shared Prosperity Working Group was formed, under the County Durham Economic Partnership and has prepared a draft position paper for Durham.

The key principles emerging from this are that County Durham:

- Should not receive less funding than under the current ESIF programme, and Receives a status that is equivalent to an EU Transition region and a ring-fenced budget
- That the new fund is allocated on economic need basis
- Is more flexible than current arrangements, tailored to local priorities and delivered with less bureaucracy

Over the last month, colleagues within the council have been meeting with representatives from different government departments, including BEIS, MHCLG and DEFRA to engage with them to influence thinking on the design of the Shared Prosperity Fund. In addition, colleagues within the Council also recently met with representatives of the Office for Civil Society's EU Exit Team to discuss Community Led Local Development as a potential delivery model to be included in the new funding programme, within the context of contributing to the delivery of a place based approach.

Cross-government consultation events are due to take place over the summer, intended to give partners the opportunity to input into the UK Shared Prosperity Fund. One is being held in the North East on 25 July 2019, which colleagues from the Council and Economic Partnership are due to attend.

This is a critical issue for Durham. While national government is currently pre-occupied with how Brexit will happen, we will keep our focus on what happens when it does, and how we can influence what new funding arises as a result of it.