

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 **Tuesday 25 September 2018** at **9.30 am**

Present:

Councillor A Batey (Chairman)

Members of the Committee:

Councillors E Adam, J Atkinson, M Clarke, R Crute, S Dunn, D Hall, T Henderson, P Howell, S Iveson, R Manchester, R Ormerod, A Reed and M Wilkes (substitute for E Scott)

Co-opted Members:

Mr G Binney and Mrs R Morris

Also Present:

Councillors J Carr, J Clare, J Clark, D Hicks and O Milburn

1 Apologies for Absence

Apologies for absence were received from Councillors P Jopling, L Maddison, J Maitland, A Patterson, E Scott, P Sexton, L Taylor and M Wilson and Councillors C Martin and B Avery from the Environment and Sustainable Communities Overview and Scrutiny Committee.

2 Substitute Members

Councillor M Wilkes substituted for Councillor E Scott.

3 Minutes

The minutes of the meeting held 26 June 2018 were agreed as a correct record and signed by the Chairman.

4 Declarations of Interest

Councillor P Howell declared an interest in Item 7 as a landlord.

5 Items from Co-opted Members or Interested Parties

The Chairman noted that Co-opted Member R Morris had submitted a question and asked her to share this with the Committee.

R Morris asked with Brexit seven months away, is Durham carrying out an assessment of how it could be affected by the UK's departure from the EU and more specifically how it could be affected by a "No Deal" Brexit.

The Chairman thanked R Morris for her question and thanked the Corporate Director of Regeneration and Local Services, Ian Thompson who was in attendance to provide a response.

The Corporate Director, ReaL noted that Members would be aware of the complex nature of Brexit, and the recent articles in the press and media. He noted that Brexit had been a major topic of discussion within Local Government since the outcome of the public referendum and would affect many aspects of Council activity, in addition to the challenges already faced from "Austerity". He reminded Members that Councils were awaiting the results of the Fair Funding Review and there was a lot of uncertainties and challenges ahead.

The Corporate Director, ReaL explained that Durham County Council (DCC) would continue to do what it has always done well, managing finances and maintaining quality frontline services, delivering at the local level. He added the Council would, through its regional roles and national influence, look to feed into policy in relation to Brexit. Councillors noted that the date, Friday, 29 March 2019 was set for the exit of the European Union, however, there would be a transition period put in place and how Local Government fitted into this would be very important. The Corporate Director, ReaL noted that while Government expected a Brexit "deal", they had issued sector guidance, for example space and medicine industries, in relation to a "no deal" Brexit, including World Trade Organisation rules. The Committee learned that while the Council could help signpost businesses in terms of information, they themselves understood best where to get information from at this point as regards Brexit.

The Corporate Director, ReaL noted that the Council's focus would be on frontline services and to support businesses, with the economy and jobs being the number one priority. He added that this would help build in more resilience against changes in the future and that work was ongoing with partners in the region, including other Local Authorities. He noted there were discussions within the many Officer Groups within networks such as the Local Government Association and the County Councils' Network in terms of making the case for Local Government.

Members were reminded of the Government's proposed "Shared Prosperity Fund", noting that EU Funding was crucial in County Durham. It was explained there was a working group in Durham, with the Vice-Chairman of the County Durham Economic Partnership, Sue Parkinson chairing this group. It was noted a number of "asks" would be put to Government, and also a call to look beyond just cities and to base any funding on need.

The Committee noted that it would be also put that any funding should at least equal that received from the EU, noting County Durham having specific status as a “Transition Region” and therefore had its own separate allocation in addition to any successful bids to EU funding streams.

The Corporate Director, ReaL noted one element that would be sought in terms of the Shared Prosperity Fund would be for more flexibility in how funding could be allocated. He added these messages would also be communicated to Government via other networks and groups.

In terms of the business community, it was noted from the Federation of Small Businesses and the North East Chamber of Commerce were “getting on with business” and some were ensuring some levels of stocks in order to be able to deal with any potential issues in terms of supplies. It was highlighted that there is a strong relationship between the business community and Business Durham. The Corporate Director, ReaL noted that of around 17,000 businesses in the County, 450 exported to the EU, 300 exported to non-EU countries, and around 1,000 imported, with around 15% of businesses being involved in EU trade.

Members noted that all wanted certainty in terms of Brexit, however, until more information came forward it was business as usual for the Authority and businesses. The Corporate Director, ReaL noted there was some speculation in relation to testing within the EU Border in terms of compliance/regulation issues. He concluded by noting that the Council would continue to manage its finances and frontline services and also to work in partnership to help provide a coherent voice with other Local Authorities moving forward.

The Chairman and R Morris thanked the Corporate Director, ReaL for his response and attendance at the Committee.

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: Sedgefield biotech firm, ReViral based at NETPark, being awarded \$55 million from US and European investors to carry out trials of a drug to combat respiratory disease; Sonnet 43 Brew House, a micro-brewery based at Coxhoe, having sent its first container of beer to China, a deal gained from exposure at the Northern Powerhouse trade mission to the Food and Hotel China exhibition in Shanghai; Seaham residents being invited to have their say in relation to the Seaham Townscape Heritage Project, this project had been highlighted to members when they visited Seaham as part of the retail support review; and the Council’s Cabinet having agreed a report in relation to the development of phase one on the Northern Zone of the Aykley Heads Business Park site.

Resolved:

That the presentation be noted.

7 Tackling Empty Properties Initiative - Overview

The Chairman introduced the Head of Environment, Health and Consumer Protection (EHCP), Joanne Waller who was in attendance to provide the Committee with an overview presentation of the Tackling Empty Properties Initiative (for copy see file of minutes).

The Head of EHCP explained that the report and her attendance at the meeting was to provide further information relating to the “Tackling Empty Properties” joint working protocol as noted by Members at the February meeting of the Committee. She added that the empty properties protocol did not just focus on empty homes but also included commercial properties and that the joint working protocol extended beyond the Empty Homes Strategy, which was to be considered by Cabinet in the near future.

It was highlighted that there were a number of low demand areas within the County, and a high incidence of empty properties in the east of the County. It followed that residents in those areas had concerns that empty properties could lead to increased anti-social behaviour (ASB). The Head of EHCP explained that the Council could not tackle the issues associated with empty properties on its own and that a multi-agency approach was needed involving key partners including County Durham and Darlington Fire and Rescue Service (CDDFRS) and Durham Constabulary.

The purpose of the empty properties protocol was “to ensure the problems associated with empty properties are effectively resolved in a timely manner ensuring that risks to public safety are minimised and empty properties are effectively managed by their owners and brought back into use”. The Head of EHCP explained that partners had come together earlier in the year to consider how they might work more collaboratively and coordinate their efforts to solve problems associated with empty properties. The protocol produced was a result of those discussions and was intended to be used as a guide for officers setting out the responsibilities of each organisation and to agree a common approach based upon: accountability; transparency; avoiding duplication; sharing information; consistency; sustainability; being outcome focused.

The partnership approach identified a number of council services working alongside the CDDFRS and Durham Constabulary, including: Direct Services; Economic Development; Empty Homes Team, Private Sector Initiatives, Housing Solutions; Environment, Health and Consumer Protection; Planning and Assets Services; and Revenues and Benefits. It was explained there was a lot of information held in a number of database systems and that the Empty Homes Team would be at the centre of collating intelligence and information across the partnership. Members were also advised that a link was available on the Council’s website for notifying the Empty Properties Team of issues with empty properties. The Head of EHCP explained that there would be a risk based approach adopted for referrals received from partners which would determine the level of response required. A risk assessment procedure had been developed whereby each partner organisation would complete and forward to the relevant service for action. Urgent issues would be responded with immediate action and high risk within 5 working days.

An early intervention will be adopted which is risk based and intelligence led to ensure that available resources are effectively targeted at the highest priority properties and priority areas.

In addition, Members were advised that in cases where our general enforcement approach had not resolved matters and repeated problems were occurring, then this may require an escalated approach. Those 'priority properties' and 'priority areas' would be identified through Local Multi-Agency Problem Solving (LMAPS) Groups and the Strategic ASB Working Group and must be capable of justification based upon evidence. In addition, area based initiatives such as the Community Action Team (CAT) would undertake time-limited work and ensure information and actions are fed back in order to update partners and learn from experiences.

It was emphasised that empty properties themselves were not a problem, but that they became a problem when not managed properly or are targeted by ASB. The partnership approach would offer a holistic view to resolving problems and promote more innovative and joined up working. The range of interventions available to the Council and key partners was highlighted including: advice, guidance and financial support; community protection; protection of buildings; demolition of buildings; repair, restoration and redevelopment; enforced sales of empty properties; simple caution / prosecution; and management and acquisition of empty properties. Examples were given of recent work undertaken in Horden and New Kyo where partners had worked together and used the best intervention to address local issues.

The Head of EHCP concluded by noting: that the protocol contained key officer contact information and that this would be disseminated across the partnership. Further communications and a media campaign were also planned to raise awareness amongst the partnership, landlords and local communities regarding the reporting and enforcement approach to be taken. The protocol was implemented from 1 April 2018 and would be subject to annual review.

The Chairman thanked the Head of EHCP, and noted experience of the work as described above in her Electoral Division and endorsed the interventions used. She asked Members of the Committee for their comments and questions.

The Vice-Chairman, Councillor M Clarke noted the range of interventions and asked as regards the time taken to address issues with long term empty properties and how delays could perhaps reflect unfairly upon the Authority. He asked how often the council would be in contact with a landlord for example. The Head of EHCP advised that it would depend upon the issues involved and also the relevant legislation that is available to resolve the issue. An example given was that if the Council were looking to "board up" a property, they would give at least 48 hours for the landlord to undertake the work for more structural work including major repairs we would need to give reasonable time for the landlord to undertake the work themselves and in certain cases there may be an appeal period which is not normally less than 21 days.

The Head of EHCP noted in relation to ongoing enforcement work the council may be limited in what information it can disclose to the public. She reiterated however that by working more proactively the partnership would wish to "get ahead" of emerging problems and work closely with landlords to manage their properties effectively and / or bring their properties back into use.

Councillor A Reed noted an old Council building in her Electoral Division that was empty and experienced some issues in terms of vandalism and asked if any progress was being made in terms of a sale or a different use. The Head of EHCP noted colleagues in Planning and Development and Assets were included within the joint working arrangements and she would raise with them directly and further feedback would be provided. Whilst she acknowledged that demolition of buildings like these could be considered for demolition they can often be listed which limits the interventions that can be used.

Councillor J Clark asked if the Empty Homes Team or services or partners could drill down to look at the Council's costs in tackling empty properties in order to feed this back to Government as regards the burden on the Authority. The Head of EHCP noted it was not fully recorded on a cost accounting basis, however, its actions were monitored in terms of visits by Officers and default works. Councillor J Clark thanked the Officers involved with the work in her area, Horden, and endorsed that the use of "skins" used on top of the boards to secure empty properties, and that it did have a positive effect and looked very good.

Councillor J Atkinson noted that some issues may take a period of time to tackle and asked how Councillors received feedback on issues and also in terms of any potential charges that may be placed on a property, was interest accrued. The Head of EHCP said that charges for default works could be placed on the property as a local land charge. Unfortunately these may sit as a charge on the property for some years, however where significant debts were accrued the council may pursue enforced sales to recover the debt. In relation to feedback, it was added that by signposting to the relevant service area who are best to deal with any complaint would provide an appropriate point of contact for any complaints /referrals and that local information and intelligence from members about empty properties in their wards was very important in tackling the issues.

Councillor M Wilkes noted that empty properties had been a longstanding issue that he had been keen for the Authority to tackle. He added there had been a lot of good work undertaken and thanked Officers for this. He noted however that in terms of enforced sales and Empty Dwelling Management Orders (EDMOs), these were only in single figures over the last 10 years. Councillor M Wilkes noted that issues did not only occur in low demand areas, noting an example of a large property in his Division that had been empty and boarded up for 25 years, with the owner living locally and known. He gave several more examples in other areas and noted he felt that if some of these longstanding and extreme cases were tackled robustly, then landlords would receive the message more generally and would generate press interest and show that the Council was tackling such issues. The Strategic Manager for Housing, Lynn Hall noted that the Private Sector Housing Policy needed to be in place first before being able to enforce, she added this would be considered by Cabinet later in the year. Councillor M Wilkes added that in terms of fast-tracking or escalating an issue, Councillors need to know who to contact as regards this process. The Strategic Manager for Housing noted Members could contact her team as regards this and would let Members know the relevant details.

Councillor R Manchester asked if the Authority worked with Registered Social Landlords (RSLs) in terms of trying to get properties back in to use easily. The Strategic Manager for Housing noted that the Authority would look to work with RSLs where possible and appropriate, via the new policies as described and through use of lease/management orders.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive an update in relation to the Tackling Empty Properties joint working protocol at a Special Meeting to be held on 9 March 2019.

8 Business Durham

The Chairman introduced the Operations Director, Business Durham, Sarah Slaven who was in attendance to provide the Committee with an overview presentation on the work and impact of Business Durham in the County (for copy see file of minutes).

The Operations Director explained that the Business Durham Mission Statement was “to enable growth, create jobs and improve lives in County Durham”, with a vision to “have a reputation for delivering measurable and inclusive economic growth”. Members noted that there were 5 strategic aims linked to this: to build a profile and reputation for County Durham as the best place to invest, start or grow a business; to improve Business Durham’s financial resilience and surplus; to deliver measurable economic growth and account for performance to stakeholders; to transform internal systems and processes to become a robust and agile organisation with a reputation for quality; and to be an employer of choice for attracting and retaining the very best people.

The Committee learned that Business Durham had developed “Our Promise to Business”, 5 things businesses could expect from Business Durham, being: “we and you and your business to prosper”; “we will deliver what you need to meet your business challenges”; “the knowledge you get from us will be up to date, authoritative, comprehensive and relevant so you can use it easily and immediately to make your business better informed and stronger”; “we will give you what you need to move forward – leaving you with answers, not more questions”; and “we will serve you so well that we will earn the right to be your first call when facing challenges”.

The Operations Director referred to performance over 2017/18, noting that the work of Business Durham did not include the retail and leisure sectors. It was highlighted that over 140 business growth projects had been assisted and that 1,000 jobs had been created or safeguard in this period. It was noted there had been 12 inward investments, with over 150 jobs associated. Members noted the engagement in terms of the Future Business Magnates (FBM) competition, with 2,500 people engaged, of which 1,200 were Year 7 pupils.

It was noted other highlights included: the launch of Digital Drive County Durham; the Aykley Heads launch and Waterstons moving into Northumbria House, retaining 130 jobs in the County; 19 additional schools in the FBM competition; securing funding for the North East Centre for Excellence for Satellite Applications, with 24 collaborative projects, 31 jobs and £4.25 million of investment; hosting of the “Get into Rail” event to highlight opportunities in the sector; and continued growth at NETPark, with the £7.6 million Explorer buildings having opened, creating 41 jobs.

In relation to Business Durham property, the Committee were reminded of the visit by Members to Salvus House and informed that across the whole portfolio there was an occupancy of 82.4%, and this was very positive given the increase in floor space in the portfolio. It was explained there was the challenge for Business Durham to generate surplus that would then in turn help to pay for what Business Durham do, however, it was noted that Business Durham was well placed and good at managing properties and working with businesses.

Councillors noted that European Regional Development Fund funding had been secured for the Durham City Incubator, located at Salvus House, and also an Incubation Manager had been appointed in May.

The Operations Director noted that Finance Durham had 7 investments completed in 2017/18, worth £2.19 million. It was added there had been 15 jobs created to date, with 193 jobs predicted and that Finance Durham had helped lever £3.24 million of private sector funding. Members noted a further 4 deals were in the pipeline, and over 100 businesses had been supported to be “investor ready”. Members noted the “NE Fund” via EU funding, with a 20% allocation for County Durham as a Transition Region.

The Committee noted the Durham Business Opportunities Programme (DBOP) utilising current EU funding to support mainly smaller businesses. Members noted that Business Durham would signpost in terms of market opportunities and assist and identify strands of support. An example was given in respect of childcare, and helping businesses be prepared for the entitlement to up to 30 hours free childcare as set out by Government. It was added that there had been an incubator zone at the Oktoberfest Engineering Event, providing help to exhibitors in making contacts and with follow up and development work.

Members noted that looking forward it was highlighted that there would be work to maximise EU bidding opportunities, specifically with the County Durham Growth Fund and High Growth Start-up Project. It was noted that responding to Brexit would be a challenge, as previously mentioned, and that Business Durham would be engaging with and supporting companies. The Operations Director concluded by noting Business Durham would continue to identify opportunities, for example within the space sector and “Industry 4.0”, as well as look to influence the Local Industrial Strategy, the Shared Prosperity Fund and to address productivity issues.

The Chairman thanked the Operations Director and asked Members for their comments and questions.

Councillor M Wilkes noted the proposals in relation to the Aykley Heads site and noted it was a huge amount of jobs to have in a “cul-de-sac” and added he felt that a circular road was needed to mitigate any potential negative impacts.

He noted that he worried in terms of the number of time Europe had been mentioned in relation to funding. He added that he did not think this funding would be replaced in the future and that there had been no firm answers from Government on the issue. He asked how we could manage without any certainty from Government and asked would the Authority use its money to fill gaps. The Operations Director noted that Business Durham's property portfolio payed to the core Business Durham and therefore was effectively self-sustaining.

She reiterated that Business Durham looked to maximise EU funding, with a number of bids and that current programmes, with money committed ran through to 2020, and from 2019 there would be a "transition period". She agreed there had been a lot of EU funding in the past, with there now being a need to ensure foundations were solid.

Councillor P Howell noted he supported the work of Business Durham and asked if lessons had been learned in relation to the one business that had not been successful via Finance Durham. The Operations Director noted that discussions with partners had noted the requisite checks had been carried out and lessons would be learned.

Councillor J Atkinson noted that in terms of networking events, Local Councillors sometimes would only hear about events in their areas through second-hand information and asked if local Councillors could be invited to events so that they could then help to get the message out into communities.

Councillor R Crute noted, if the Committee's Work Programme would allow for it, that the impact of the Local Industrial Strategy on County Durham be looked at, in addition to links in terms of the CDEP and Business Durham. He noted other issues including the low business base in the County and issues in terms of apprenticeships. The Chairman noted that emerging issues would be look at, and this had been the rationale behind the Committee not taking on a focused piece of work within the 2018/20 work programme and agreed that the committee should receive detail of the Local Industrial Strategy at a future meeting.

Resolved:

- (i) That the report and presentation be noted.
- (ii) That the Economy and Enterprise Overview and Scrutiny Committee receive an update in relation to the work of Business Durham at a future meeting of the Committee as part of the 2019/20 Work Programme.
- (iii) That the Economy and Enterprise Overview and Scrutiny Committee receive an overview of the Local Industrial Strategy at a future meeting of the Committee.

9 Quarter 4, 2017/18 and Quarter 1, 2018/19 Revenue and Capital Outturn

The Chairman introduced the Principal Accountant, Paul Raine to speak to Members in relation to the Quarter 4 Revenue and Capital Outturn and the Quarter 1, 2018/19 Revenue and Capital Outturn (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 the Regeneration and Local Services (Real) Service. In reference to Quarter 4, 2017/2018 Members noted the service was reporting a cash limit underspend of approximately £1.496 million at Quarter 4 2017/18, against a revised General Fund Revenue Budget of £25.266 million. Members noted the major variances were set out within the report with more details contained within Appendix 2 to the report.

As regards the Capital Programme, the Principal Accountant explained that against a revised budget now stood at £40.668 million there had been a spend of £38.942 million, with a breakdown of the major capital projects given at Appendix 3 to the report.

The Chairman thanked the Principal Accountant and asked Members for their comments and questions on the Quarter 4 2017/18 report.

Councillor P Howell noted his frustration in terms of forecasts being made and the large differences between Quarters, adding that an apparent £11 million differential did not suggest control. The Principal Accountant noted that in terms of the £11 million, this was not comparing like-for-like and that around £8 million of capital charges would come into the ledger at the year end and that CIPFA code was adhered to. Councillor P Howell noted he felt that at best the information could be misleading, though he noted he did not feel this was deliberate and added that any differences needed to be set out within the narrative of the report.

The Chairman noted she would raise the issues as set out by Councillor P Howell and that arrangements would be made for an appropriate senior officer from the Resources Service Grouping to attend a future meeting to resolve the budget issues raised.

Councillor S Dunn noted he did not read the report as a “balance sheet”, rather there were a number of programmes and projects that ran over a number of years and he added it did not feel it was the Committee’s remit to manage finances, rather to monitor projects, programmes and performance.

The Principal Accountant referred Members to the information relating to Quarter 1 2018/19 with the service reporting a cash limit underspend of approximately £0.395 million, against a revised General Fund Revenue Budget of £58.434.866 million. It was noted that from 2018/19 the former “Regeneration” and “Neighbourhoods” budgets were reported together and that the report to the Environment and Sustainable Communities Overview and Scrutiny Committee would note a corresponding fall within their budget report. 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 revised budget stood at £57.516 million, with a breakdown of the major capital projects given at Appendix 3 to the report. Members noted the spend to date of £6.996 million and that it was anticipated that the capital programme would be spent fully by the year end.

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

Councillor P Howell noted in the table set out at paragraph 13 of the report there was reference to approximately £7 million of £57 million having been spent to date and asked as regards sticking to budgets and how to monitor progress in terms of the turning projects into actions. The Principal Accountant noted the previous year's spending profile in relation to the Capital Programme with a similar spend for Quarter 1 year on year. Councillor P Howell asked how one would know where the Council was at in terms of the RED Capital Programme and progress being made.

Resolved:

That the reports be noted.

10 Quarter 1, 2018/19 Performance Management Report

The Chairman thanked the Strategy Team Leader, Gemma Wilkinson who was in attendance to speak to Members in relation to the Quarter 1, 2018/19 Performance Management Report (for copy see file of minutes).

The Strategy Team Leader reminded Members of the different types of indicators reported, Tracker indicators and Target indicators and the performance reporting arrangements for 2018/19 were via a number of key performance questions (KPQs), aligned to the "Altogether" framework of six priority themes.

Councillors noted the five area of focus for "Altogether Wealthier" were: do residents have good job prospects; do resident have access to decent and affordable housing; is county Durham a good place to do business; is it easy to travel around the County; and how well do tourism and culture events contribute to our local economy. Members noted that there would be infographics relating to performance under each of those areas.

In relation to "do residents have good job prospects" it was noted that there were some positives, with the employment rate for the working age population being at the regional average, though below the national average. Members noted that unemployment was on a downward trend, though was still greater than the national level, also this was reflected in youth unemployment. It was added that disposable household income per capita was lower than the regional and national levels, with the gap to the national level widening. It was suggested this could point to the County being more reliant upon lower waged jobs. The Strategy Team Leader noted in terms of apprenticeships, the percentage of 16-17 year olds in apprenticeships was above the regional and national averages. She noted that 949 apprenticeships through DCC schemes sustained for 15 months or more, equating to 88.4% of all apprenticeship start through those schemes. It was noted that of the 124 that did not sustain, there had been a number of reasons given, with the main being "personal circumstances", with 20 having left to enter employment. She added a full breakdown could be provided for Members' information.

Members noted information in relation to affordable housing delivery, and in terms of the previous item relating to the work of Business Durham. The Strategy Team Leader noted the changing focus in terms of homelessness preventions, with support for people to stay in their homes.

It was explained that a reduction in the number of households accessing the Housing Solutions Service was due to the Enhanced Housing Options Wizard no longer being available for clients to complete as the new Code of Guidance for the Homelessness Reduction Act stated that Local Authorities should not use such wizards as part of the advice and triage process.

Councillors noted the figures in relation to the Highways Transport Asset Management Plan (TAMP) with a “static” condition, however, this was in the context of severe winter weather having been experienced. The Strategy Team Leader concluded by referring Members to data relating to visitor numbers, jobs supported by the visitor economy and the amount generated by the visitor economy, with all showing positive signs of growth, with the Visit County Durham website having factsheets in terms of specific sectors and geographical areas.

The Chairman thanked the Strategy Team Leader and asked Members for their comments and questions on the performance report.

Councillor J Atkinson noted he would welcome further information in relation to apprenticeships not sustained. The Strategy Team Leader noted she would provide the breakdown as noted and ask if information beyond 15 months was known.

R Morris noted the widening gap between the County and the regional and national employment rate and youth employment figures was worrying. She added that employers worried in terms of skills for the future and felt this was something that could be addressed within the Industrial Strategy and asked what “horizon scanning” had been undertaken as she did not see much evidence of an offer in terms of young people. The Strategy Team Leader noted that the Business, Enterprise and Skills Strategy with the Council, Business Durham and businesses working together, was looking in terms of a skills base for sectors. She noted this was a live document and would seek an update in terms of this. R Morris added she felt there was a need to speed this up in order to see an impact. The Chairman noted the link to the Industrial Strategy.

Councillor S Dunn noted he was cynical in terms of apprenticeship figures and agreed with R Morris in terms of the need to identify what skills were needed to fill and create jobs. He asked why 15 months was deemed meaningful, and asked how many of the young people had their apprenticeship lead to a job in those areas in which they had undertaken an apprenticeship. He added that it was important to turn apprentices into the workforce of the future and to see them earn a respectable wage in the process. Councillor S Dunn also asked in relation to the condition of A, B and C principal roads, what proportion were footways.

The Strategy Team Leader noted in relation to footways she did not have the figures to hand and would look to provide this for Members. She added that she would also seek further information in relation to apprentices and moving into jobs in their sector.

Councillor R Ormerod asked if the disposable income figure was before or after housing costs were taken into account and noted the widening gap with national and regional figures was worrying. The Strategy Team Leader noted she believed it was after, though would check to confirm.

Councillor R Ormerod also asked as regards why the employment rate figures for County Durham appeared to be much more volatile in comparison to regional and national figures. The Strategy Team Leader noted this could be due to economies of scale at those larger sample areas, though would check with colleagues.

Councillor P Howell asked why the per capita household disposal income data was up to 2016 and not more up to date. He also noted that GVA figures would not include service area jobs, with there being a lot in the County. The Strategy Team Leader noted that the 2016 figures were the most up to date available from the Office for National Statistics (ONS) dataset. She added that she would check if GVA did not include service sector jobs, and that there were discussions ongoing in terms of looking at evidence bases. Councillor P Howell wondered if 2016 was the most up to date data in this respect, would another measure with more up to date data be a more preferable approach.

Resolved:

That the report be noted.

11 Overview and Scrutiny - County Durham Plan Workshop

The Overview and Scrutiny Officer reminded Members of the recently held workshop session in relation to the County Durham Plan, held 9 July 2018. It was noted that the Economy and Enterprise Overview and Scrutiny Committee led, with the Chairman introducing the session. Councillors noted the session was split into 5 themes and the comments made by Members and Co-opted Members had been collated to form a response to the CDP Preferred Option stage (attached at Appendix 2 to the report), with sign off from the Chairmen and Vice-Chairmen of the Committee and the Corporate Overview and Scrutiny Management Board with the response having been submitted.

Members noted that there would be a further workshop session in the New Year, 4 February 2018, to which all Overview and Scrutiny Members and Co-optees would be invited. The Chairman thanked the Members and Officers that attended and were involved in the workshop session.

Resolved:

That the report be noted.

12 Minutes from the County Durham Economic Partnership

The Minutes of the meeting of the County Durham Economic Partnership held 5 July 2018 were received by the Committee for information.

13 Children and Young People's Overview and Scrutiny Committee - NEETs

The Overview and Scrutiny Officer noted that Economy and Enterprise Overview and Scrutiny Committee Members were invited to the meeting of the Children and Young People's Overview and Scrutiny Committee, tomorrow, as the Strategic Manager Progression and Learning, Linda Bailey would be in attendance to speak in respect of those Not In Education, Employment or Training, NEETs, an issue which also related to the work of this Committee.