

**County Durham Economic Partnership
Board
18 July 2007**

In attendance;

Ken Jarrold	CDEP Board Chair
Bob Ward	CDEP Lead Officer Secretariat
Zoë Thirlaway	CDEP Secretariat
Claire Williams	CDEP Secretariat
Cllr Alan Cox	Durham County Council Member
Linda Edworthy	Durham County Council Chief Officer
Cllr David Llewellyn	District Council Member (Derwentside)
John Pearson	District Council Chief Officer (Derwentside)
Cllr Jo Fergus	District Council Member (Teesdale)
Melanie Sensicle	Area Tourism Partnership Chief Officer
Sue Parkinson	Business & Enterprise Group Chair
Tess Mantzoros	Durham University Observer
John Topliss	One NorthEast Observer
Jim Darlington	Government Office North East Observer
Joanna Tait	Further Education Observer
Chris Duffill	Shared Intelligence (Agenda Item 5)

1. Apologies;

Chris Davy	Area Tourism Partnership Chair
Tom Crompton	Learning & Skills Council
Stacey Hall	One NorthEast Observer
Rob Statham	Durham University Observer

2. Minutes of the last meeting

Agenda Item 3 – page 2 under Agenda Item 12 in Matters Arising. Removal of the words ‘becoming more’ so that the sentence now reads, “Ken Jarrold explained that he was convinced that links with the private sector were crucial to the Partnership’s success.”

Action: Secretariat

3. Matters arising

Private sector dinner – the Secretariat were still trying to find a date that was suitable for all the desired private sector representatives. It was not proving an easy task.

County Durham Economic Strategy – all the points made in the previous meeting had been taken into account in the new draft. An executive summary would be circulated to the Partnership for comments.

4. Declarations of interest

None.

5. Draft County Durham Economic Strategy, Action Plan and Single Programme Investment Plan

Bob Ward introduced Chris Duffill from Shared Intelligence who provided a presentation on the current draft of the CDES Action Plan. Bob highlighted that there would be a very rapid timescale to complete this work as they wanted to align it with the overall timetable of the Strategy and discussions taking place with ONE. He suggested that any comments should be points of principal and not points of detail.

Chris Duffill explained what the Action Plan was and how it differed from the Single Programme Investment Plan, as it was not a bidding document but looked at the actions necessary to deliver the Strategy over the next 5 years including headline targets up to 2016. The priorities identified were Enterprise, Culture and Performance, Competitive Business, Competitive Places, Economic Participation and Creating Conditions for Economic Growth. He explained that the Action Plan was still very much work in progress as the CDES was still being developed. Therefore targets would need to be refined and they would need to identify additional activity. The Action Plan would be launched as the daughter document to the Strategy and the Single Programme Investment Plan would evolve from the Action Plan.

Ken Jarrold went through the document by section to gather comments.

Introduction pages 1 - 4

It was highlighted that the 7 core targets needed to be right therefore it was very important that people were comfortable with them. They would also need to be aligned around the RES and the LAA targets.

Enterprise, Culture and Performance pages 5 - 8

It was highlighted that markets for business were not mentioned and the County needed to get businesses to look beyond their own markets. It was highlighted that procurement provided some opportunities. It was felt that the County's businesses were seen to be inward looking, with many only trading locally. There was not a short term solution within the CDES Action Plan which was deliberate as there was a delicate balance to make. There were other key stakeholders within this agenda and there was a danger of duplicating resources and competing for the same market. The current impact needed to be assessed.

It was highlighted that there were a number of references to rolling out successful LEGI programmes. LEGI was there to achieve certain targets and as such was a legitimate test bed but the Partnership needed to support LEGI projects and resources.

It was highlighted that any activity which came under Enterprise, Culture and Performance and Competitive Business sections would need to be in line with the Business Support Simplification Programme.

Competitive Business pages 9 - 20

It was emphasised that the skills element of this section was becoming quite powerful. It was felt that this was the single largest challenge for the Partnership and the County.

It was agreed that the Partnership needed to understand the baseline and the targets as there were a number of parts of the document which gave targets and the Partnership needed to know what the extent of the potential was and what could be achieved. It was felt that there needed to be more comfort that the list of Transformational Interventions were in fact transformational. It was highlighted that this list was purely reflecting the Transformational Interventions listed within the RES. It was agreed that the Partnership needed to stay grounded and understand the gaps but this might provide the Partnership with the incentive to look for truly transformational activity.

The role of the University was highlighted and it was explained that the University input to the Action Plan was being provided to Shared Intelligence. Ken Jarrold was also meeting with the University on 30 July to discuss opportunities with the new Vice Chancellor.

Competitive Places pages 21 - 40

There was an issue of balance of this section within the document. It was felt that this section was very long, felt like a list and did not have clear priorities.

It was felt that business tourism should be mentioned in this section with a focus on top quality conference facilities in order to compete seriously for national events.

GONE asked if the use of more focused private sector delivery models had been considered. It was explained that this was constantly under review but that to date it had not seemed appropriate given the matter of scale, although that could change in the future. It was agreed that lessons should be learnt from other regional successes as County Durham could not afford to be left behind by the City Regions. It was highlighted that a useful document had been issued by NLGN on using capital asset vehicles to fund regeneration activity.

It was agreed that there should be an additional section on other towns and villages and that the Sacriston section should be covered in it and taken out of the North and North West Durham Corridor.

Economic Participation pages 41 - 47

It was suggested that this section should link more clearly with the skills section. Linda Edworthy and Ken Jarrold had met with Dave Peebles from JobCentre Plus and Ken requested that JobCentre Plus were invited to join the Board as observers.

Agreed

Action: Secretariat

Creating the Conditions for Growth 48 - 49

No comments

In summary the key areas raised were;

- Business markets,
- Understanding the value of LEGI,
- To ensure transformational change,
- The role of the University,
- Business Tourism specifically a conference centre,
- Private sector delivery models, learning from the City Regions,
- A section on other towns and villages,
- The balance of the document with relation to the section on Place,
- The role of the 3rd Sector,
- The Comprehensive Spending Review.

6. Regional Spatial Strategy Report

Linda Edworthy explained that the Secretary of State had published a revised draft of the RSS for a 10 week consultation, finishing on 6 August. The housing and employment land policies were of particular interest to this Partnership and the Secretariat were working with the districts to submit a response to the North East Assembly (NEA). County Durham felt that the EiP had a poor understanding of the economic opportunities of the County. On a positive note the 14 Major Centres were still included in the current draft and it was vital that they remained in the document. The NEA had agreed to increase the NETPark site to 25 hectares and will recommend that the Heighington Lane West be included in a new logistics policy and that South of Seaham be included in the general allocation for Easington. The Tursdale rail-freight interchange had been deleted from the draft but requests have been submitted to have it re-instated. Eastgate had not been named as a brownfield mixed use site but the NEA did not feel the project was sufficiently progressed at this point to be included. The proposal but would be treated as an exception in planning terms. In terms of the housing allocation the NEA was now proposing 23,500 houses for the County which would allow for population stability. The next draft of the RES would hopefully be available in the autumn and would go through another 8 week consultation period. The aim was to have the final publication in January / February 2008.

It was highlighted that the Secretary of State had gone for a 2 stage consultation process to give Partners the maximum opportunity to influence the RSS. They

could only take into account the original submissions and recommendations given to them therefore they had specifically asked for additional information on matters of dispute. In terms of housing the attention of the Secretary of State was specifically drawn to increasing the provision and they were seeking additional advice on the declaration from Government regarding affordable housing.

It was highlighted that some real progress had been made and the Partnership would need to make sure they protected those gains.

7. County Durham Skills Summit

Ken Jarrold highlighted that unfortunately there was no representative from the LSC at this meeting. It was felt that 'skills' was such a huge area in which to intervene that there needed to be a step change in the economy. There was some disappointment that this proposal did not include more transformational ideas. It was felt that educational providers at all levels should be involved and it should include learners of all ages. It was agreed that this would be taken forward with the LSC.

Agreed Action: Secretariat / LSC

8. Single Programme Report

Claire Williams presented the Single Programme Report. She explained the actual spending figures for last year. She then went on to explain the position for this financial year. The Partnership had £20m to spend this year which was a huge undertaking. The Secretariat had already overprogrammed by £5m and table 4 showed the likely spend breakdown. Even with the overprogramming Partners were still only likely to spend £16m so the Secretariat and the Working Groups were working closely with individual project sponsors to assist them to spend where possible. In terms of outputs 6 out of the 9 output targets for 2006/07 had been met. Shared Intelligence were currently producing the Single Programme Investment Plan.

Ken Jarrold highlighted that spend was a real challenge for the Partnership and this should be seen as a priority. He hoped that the appointment of Faithful and Gould as an additional project management resource would help with this situation.

9. LAA Quarter 1 Report

John Pearson presented the LAA Quarter 1 report. He explained that the position was very similar to the report at the last meeting. Performance was reasonable for some of the targets and less so in some cases. This was a very difficult process and was not helped by issues over statistical robustness, availability of data and conflicting statistics. They were still making progress though. The next critical phase would be to prepare an updated delivery plan. Where they were underperforming they would need to understand the reasons behind achieving and not achieving targets.

Sue Parkinson highlighted that under paragraph 8 the Business and Enterprise Working Group were taking forward the VAT registered businesses stretch target. In order to address the public sector procurement element of this target they would be working with local authority procurement officers and economic development officers to identify actions. Sue explained she would like to take a proposal paper to the LAA Board explaining the process and asking them for buy in (non financial).

Agreed Action: Business and Enterprise Working Group

Under paragraph 9 it was asked whether the Learning and Skills Working Group had reported back on the NVQ Level 2 and 4 report produced by the LSC. It was highlighted that this report would be coming to the next meeting.

Action: Learning and Skills Working Group

It was highlighted that a meeting had taken place with Dave Peebles of JobCentre Plus to discuss the LAA Incapacity Claimant target and the difficulty in achieving it. The data set being used was an issue. JobCentre Plus were confident that on their trajectories the Partnership should achieve the target and therefore over programming activity was not needed. They requested that local authorities include pathways to work information on their websites which was agreed subject to JobCentre Plus providing the information. Further discussions might be needed between the LAA group and Government Office regarding the data set as there was little comfort that the Partnership could really carry on as they were and still achieve the target.

10. Wireless County Durham

Bob Ward explained that the Knowledge Economy Working Group had been tasked at looking at the Wi-Max proposals. Bob Ward had also had a meeting with ONE and the other Sub Regional Partnerships to pursue their involvement. It had been agreed on 17 July that County Durham should proceed as a pilot project for the whole region. £2m of Education funding needed to be spent by August and this would be fed into this project. A business model would be developed which would come to this Board for consideration. It was hoped that Faithful and Gould could assist with the management of this project.

11. Any other Business

European Programme

Bob Ward explained that the new European Programme had been accepted as suitable for submission and detailed negotiations would now start. It was hoped that the programme could be agreed by the end of the year.

Sub National Review of Economic Development and Regeneration

Jim Darlington encouraged people to read the review document. He explained that there was a lot of uncertainty over implementation at the moment but he provided details of the main headlines.

- From a local authorities point of view this was a very strong document supporting their role, supporting economic development and local prosperity and proposing a new statutory Economic Development role.
- There were proposals for Regional Development Agencies to delegate responsibilities to local authorities.
- Local authorities would have responsibility for the 14-19 agenda although this potentially would not come into affect until 2010-11.
- A consultation and supplementary business rate would be undertaken.
- Neighbourhood renewal funding would have a reward element built in.
- The LAA would have a clear focus on Economic Development and Neighbourhood Renewal.
- There would be general support for collaborative working between local authorities. They would be encouraging Multi Area Agreements.
- They were looking for opportunities to strengthen sub regional management of transport and look for long term sustainability of funding for transport.
- At a regional level Regional Development Agencies were to produce single integrated strategies, including the RES and RSS. They were expected to work closely with local authorities as they would be required to sign off the strategies. The full document would then be signed off by CLG and BERR.
- There would be a clear focus on economic growth with Central Government setting regional growth targets.
- Local authorities would have a clearer role in scrutinising the RDAs and Regional Strategies.
- There would be a new regional funding allocations exercise.
- There would be better alignment between the Regional Development Agency and UK Trade and Investment.
- They would be looking to introduce a Single Brokerage Service for business support and workforce development, County Durham could possibly be a model for this.
- At a national level there would be new regional ministers.
- BERR would monitor performance management.

It was highlighted that the Regional Assemblies would also be abolished although this would not happen until 2009-10. This would be a transitional period and there was a great deal of serious policy emerging. It was essential that the Partnership sought to influence the arrangements.

12. Forward programme of meetings

- Monday 15 October 2007 – 14.00
- Thursday 24 January 2008 -14.00
- Thursday 24 April 2008 – 14:00
- Thursday 24 July 2008 – 14:00