

**County Durham Economic Partnership
Board
26 April 2007**

In attendance;

Ken Jarrold	CDEP Board Chair
Bob Ward	CDEP Lead Officer Secretariat
Zoë Thirlaway	CDEP Secretariat
Linda Edworthy	Durham County Council Chief Officer
John Pearson	District Council Chief Officer (Derwentside)
Neil Stokell	District Council Chief Officer (Teesdale)
Chris Davy	Area Tourism Partnership Chair
Melanie Sensicle	Area Tourism Partnership Chief Officer
Claire Williams	CDEP Secretariat
Nick James	Learning & Skills Council
Rachel Spence	Business & Enterprise Group Deputy Chair
Phil Hughes	Rural Advisory Group Chair
Jim Darlington	Government Office North East Observer
Joanna Tait	Further Education Observer
Alan Hodgson	Durham County Council (presenting Item 5)

1. Apologies;

Cllr Alan Cox	Durham County Council Member
Cllr David Llewellyn	District Council Member (Derwentside)
Cllr Jo Fergus	District Council Member (Teesdale)
Sue Parkinson	Business & Enterprise Group Chair
Tom Crompton	Learning & Skills Council
Stacey Hall	One NorthEast
Prof. Phil Jones	Durham University

2. Minutes of the last meeting

The minutes were agreed as a true record of the meeting.

3. Matters arising

Page 2 – **The Leitch report** was on the Agenda for this meeting as requested.

Page 3 – **Protocol of representation** – It had been requested that paragraph 7.2 should be reworded. This had been done and the Terms of Reference had been re-circulated to the Board, ODG and SAP.

Page 3 – **The Business and Enterprise Working Group (B&EWG)** had been asked to engage with the colleges. Joanna Tait had agreed to represent the colleges on the B&EWG.

Page 4 – **Rural Advisory Group Chair** nominations had been requested. The Secretariat had approached Phil Hughes who agreed to take on the role. Phil was welcomed to the meeting.

Page 4 – **Knowledge Economy Advisory Group (KEAG)**. John Anstee had been approached and he had agreed to continue his role as Chair of the revised KEAG.

Page 4 – The Area Tourism Partnership's (ATP) involvement in the **Physical Development Working Group (PDWG)**. The Secretariat had discussed the

ATP's role in the Group and had agreed to circulate papers to the ATP, who would attend when appropriate.

Page 4 – It had been requested that **papers be circulated** 10 days in advance – this had now been put into action.

Page 4 – The **County Durham Economic Strategy** had been included on the agenda as requested.

Page 5 – **RES Action Plan** comments had been received from Partners, a response had been finalised and submitted to ONE.

Page 7 – Consultation on the **North East European Competition and Employment Programme** had been completed, a response had been finalised jointly with the Northumberland Strategic Partnership (NSP) and it had been submitted.

Ken Jarrold explained that he had met with the Chair of the NSP and he felt that there would be a number of benefits in encouraging a strategic alliance between the two Partnerships. Thirty five percent of the North East population was served between the two counties which should give greater strength to discussions taking place. Ken Jarrold asked for the group's permission to pursue this.

Agreed Action: Ken Jarrold / Secretariat

4. Declarations of interest

None.

Items for decision /debate

5. A Potential Wireless County Durham

Alan Hodgson provided a presentation on the provision of Wireless Broadband (Wi-Max) for the whole of County Durham. He explained that the original plan had been to fill the gaps in current service provision from BT but that had now moved to providing a full Countywide alternative. It was felt that if this project succeeded then it should provide excellent conditions for economic development, enterprise and entrepreneurship. It would also have strong links with E-learning.

Alan Hodgson explained that there was already a pilot being undertaken in Derwentside utilising DfES money, which they were confident would be successful. The next phase would be limited by the restrictions around the DfES funding which would be focused on secondary school locations. This barrier could only be removed with additional funding resources such as Single Programme. There were no physical barriers to taking the project forward.

It was highlighted that the Private Sector were not willing to take this activity forward as it was not a commercial proposition for them at this point, so it would require a push from the Public Sector. The Barnard Castle Vision work had already identified the need to look at creating a wireless environment to give the town an advantage. It was felt that this initiative should be high up the agenda. Phil Hughes highlighted that he was a member of the E-leadership Council and suggested that he could also feed into the process.

The group agreed that this was an exciting prospect which should be costed, prioritised and developed further. There would need to be evidence of the potential impact in order to back up a funding bid. It was suggested that the NSP could be linked into the process as long as it did not slow down County Durham's programme. It was agreed that the concerns around health issues needed to be addressed right at the beginning in order to avoid problems at a later stage. Ken Jarrold suggested that the Knowledge Economy Advisory Group and Alan Hodgson should take on this work with input from Phil Hughes. A report was requested for the next Board meeting.

Agreed Action: KEAG, Alan Hodgson and Phil Hughes

6. The Leitch Report

Nick James provided a verbal update on developments around the Leitch Report. He highlighted the critical points for the County Durham economy in the future;

- the economy of the future is higher skilled,
- there would be a need to up-skill the existing workforce,
- there was a need to achieve a step change or the County would stand still,
- fundamentally it was about demand,
- the emphasis needed to be on allowing change through structure,
- barriers needed to be identified.

It was highlighted that this was not new to the Partnership and it was questioned whether there were any new big ideas to change this situation or whether it would end up being more of the same. It was emphasised that the LSC were probably the biggest investors and therefore there were questions raised around how would this affect LSC budgets. Also the focus of this report was on lowest level skills whereas ultimately the LSC were focussing on the need for high level skills. Nick James responded by explaining that demand was a difficult thing to describe, it was about stimulating demand, improving information, increasing scope of funding support e.g. through Train to Gain. There was a need to manage demand so that it met the County's economic objectives. By investing in employers it created a culture for demand of skills. The LSC budget would have a strong influence. In terms of compulsory education the baseline was reasonably fixed, but there would be more flexibility in adult skills, mainly through Business Link and the Train to Gain programme. Employers would have to demand opportunities as the process was demand lead.

It was highlighted that there seemed to be an inbuilt resistance to training in the region, part of this developed in the pre 18 education system and although the 17-19 initiative existed it was felt that there needed to be more radical thoughts. Nick James highlighted that the Leitch Report would like to be radical but it was a bit vague in places. In relation to young people there were parallel initiatives going on.

It was highlighted that if this process was demand lead, who was ensuring that the demand was there and encouraging higher levels of demand from employers. Nick James explained that there was the Sector Skills Council for

employers, Employment Skills Boards for localised expressions of demand and Train to Gain for specific skills areas.

NECC welcomed the flexibility of the Leitch Report in terms of funding as companies often looked at modules of qualifications. It was also highlighted that the Partnership should be looking at responding to the skills needs for immigrants and how the County could spot and retain skilled migrants.

It was highlighted that within this agenda there was tension between low level and high level skills therefore the Partnership would need to somehow balance worklessness priorities with Knowledge Economy requirements. Looking at what work the people of County Durham were going to do and how the Partnership could give them the necessary skills.

It was felt that this was one of the single most important issues the Partnership were dealing with. The Leitch report was very good at describing the problem but it was not clear in the document what action was actually needed. It was agreed that the Learning and Skills Working Group should begin to analyse what was working, what was the Economic Development skills agenda and what five things should the Partnership be doing to ensure success. The County Durham Economic Summit (agenda item 8) was designed to broaden this discussion.

Agreed Action: LSWG

7. Senior Advisory Panel – 21 May 2007

A special SAP meeting would be held on the Skills and Enterprise agenda. This was an important agenda for the Partnership and any board member wishing to attend the event and participate in the discussion would be very welcome.

8. County Durham Economic Summit

Ken Jarrold proposed a summit focussing on skills and what needs to be done to make a real difference in the County. He asked the group for thoughts about the content of the day, speakers, location etc. Suggestions included involving;

- potentially the new Prime-minister to set the day off,
- young people – potentially including a themed drama presentation,
- investing In Children,
- primary and Secondary Schools, Colleges and the University,
- local businesses,
- the Health Service,
- Local Authorities.

It was agreed that the group needed to look into what the Partnership would be aiming to get out of the event in order to make a difference. It was suggested that 5 or 10 key skills aims for County Durham should be identified and used as a structure for the event.

It was suggested that the event should not be all about presentations, but more about producing a useful end product through interactive participation

and open space techniques. There should however be one or two carefully chosen high profile speakers who could motivate the participants. Suggestions included Professor Mike Campbell (co-author of the Leitch Report), Sir Ken Robinson (American motivational speaker) and Charlie Edwards (senior researcher at DEMOS).

It was emphasised that the event should not be entirely about young people but also about engaging employers and older people.

It was agreed that the event would take approximately 6 months to organise therefore a date would be found in October/ November. It was felt that the organisation of the event should be split into two parts, conceptual work and practicalities. The Secretariat would act as the lead but the learning communities would need to be very much involved together with Melanie Sensicle, Nick James, Joanna Tait and Ken Jarrold.

Agreed **Action: As above.**

9. County Durham Economic Strategy (CDES)

Linda Edworthy explained that the Officer Delegated Group (ODG) had considered the CDES and had decided that it was not yet ready to go out for consultation as further work was needed to look at the short, medium and long term aspirations for the County. It had also been agreed that the contractual relationship between the Partnership, EKOS and ARUP needed to be looked at and as a consequence EKOS were now contracted directly to the Partnership in order to complete the work. In order to complete the work necessary for the Strategy a special CDES Senior Advisory Panel meeting had been set up for 17 May, which Board members were welcome to attend. A special Board meeting had also been set up to discuss the final draft of the document on 18 June.

It was highlighted that work on the CDES Action Plan and the Single Programme Investment Plan would also need to be carried out in tandem with this process. The preparation of the Single Programme Investment Plan was necessary to progress negotiations with ONE on future funding. The Board were asked to agree to commission EKOS and Shared Intelligence to work on the CDES Action Plan and the Single Programme Investment Plan at the same time.

Agreed

It was highlighted that the Partnership needed to develop a more ambitious agenda through the CDES Action Plan and the Single Programme Investment Plan. Two new areas for potential investment were;

- 1) Conferencing – the County was well placed to make an impact on business within the region. It was not clear if they were achieving that aim and so it would need to be explored further. It was suggested that the ATP should take the leading role in market testing, although it was not just tourism related.
- 2) Carbon Neutrality – i.e. what the County can do about its carbon footprint. It was felt that further discussions were needed around this issue.

Enterprise, property improvement, town centres, Wifi, skills, the rural agenda and the potential of the University were also raised as important project areas which would need more detailed consideration.

It was agreed that the group were happy with the proposed processes and that suggestions were heading in the right direction. It was felt that Single Programme funding should not dominate thinking and that validation of ideas needed to be done as soon as possible. There needed to be commitment and concerted effort from the Partnership. It was highlighted that projects should be linked together where possible. The process for taking forward the work was agreed.

Agreed Action: Secretariat

10. Single Programme Update

Claire Williams provided a summary of the Single Programme report which had been previously circulated. The figures presented were from the Q4 interim claim with actuals for Quarter 1, 2 and 3 and estimated figures for Q4. The Secretariat were working with project sponsors to ensure the best possible spend. Some slippage had been approved by ONE but this was mainly into 2008/09. Overall the outputs had been achieved or exceeded with the exception of Private Sector Leverage and Brownfield Land Remediated. The impact of these outputs had not been established. The Secretariat were looking into providing more support to projects sponsors to help them achieve spend and be delivered.

It was felt that this would be a key test for the Partnership and that if there were early warnings of projects in difficulty the Partnership should have information on a more regular basis by correspondence. It was felt that support should also be available to projects which potentially did not have the capacity to bid for project funding.

Agreed

11. Audit Commission Inspection of Regeneration in County Durham

John Pearson presented the report that had been circulated prior to the meeting. He explained that the outcomes were not as encouraging as the Partnership would have hoped. As a result the current delivery plan for the Economic Development and Enterprise Block was now being revised, this would look at previous performance, medium and long term goals. Ken Jarrold asked for more information on the structure and lines of responsibility relating to the LAA work. John Pearson agreed to circulate the current delivery plan which would explain the targets and lead agencies for each target. He explained that the achievement of these targets was coordinated through the Block Sub Group and they were also tasked with chasing Partners to ensure achievement of targets. Business Link and JobCentre Plus were having particular problems as they were seriously under-resourced. It was agreed that this would need to be dealt with at a senior level.

It was emphasised that the Voluntary and Community Sector should be linked into the work as much as possible however it was highlight that there were issues that needed to be overcome. A number of organisations had been

invited to participate but when it became apparent that they would need to contribute time and resources they quickly withdrew. It would seem that they were only interested if there was money in it for them.

12. Private Sector Engagement

Ken Jarrold highlighted that Private Sector involvement in County Durham was not as strong as the Partnership would like it to be. The Partnership would therefore need to stimulate involvement with the Private Sector and a dinner had been proposed. He was therefore asking Partners for ideas of who to invite, how to structure the event, when it should take place and potential venues. Suggestions included GlaxoSmithKline, Mark Lloyd, David Johnson (although there was a possibility he was leaving Thorn), Susan Johnson and Roy Stanley. Partners were asked to forward any other suggestions to the Secretariat.

Agreed Action: Ken Jarrold / Secretariat

Items for information

13. The Freud Report

A report had been circulated for information to the group. It was highlighted that this report would have quite an impact on JobCentre Plus and therefore on the outcomes of the LAA work, which would need to be monitored.

14. The Lyons Review

A report had been circulated for information to the group.

15. Audit Commission Inspection of Regeneration in County Durham

Linda Edworthy gave a short verbal report. She explained that the inspection had now been completed and a draft report would be made available in May. Although this report would not be made openly available at this point, Local Authorities would be expected to make a start on the recommendations.

16. The Wealth Hotspots 2015

A report had been circulated for information to the group.

17. Any Other Business

Following the revision of their governance structures, the Tyne and Wear City Region Executive Board would be asking for a representative from the CDEP to sit on their Board. The local authorities were already represented at a political level therefore it was proposed that the Partnership representative should be the Chair, Ken Jarrold. The NSP were also putting forward their Chair, Jane Nolan.

Agreed Action: Ken Jarrold / Secretariat

11. Forward programme of meetings

18 June 2007, 14:00 in Committee Room 1a, County Hall

18 July 2007, 14:00 in Committee Room 1b, County Hall

15 October 2007, 14:00 in Committee Room 1a, County Hall

24 January 2008, 14:00 venue to be confirmed