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Economic Prosperity Sub Committee

Monday, 27 June 2022

Tuesday, 5 July 2022 Room 0.02, Quadrant, The Silverlink North, Cobalt Business Park, NE27 0BY **commencing at 6.00 pm**.

Agenda Page Item

1. Apologies for Absence

To receive apologies for absence from the meeting.

2. Appointment of Substitute Members

To be notified of the appointment of any Substitute Members.

3. **Declarations of Interest and Dispensations**

You are invited to declare any registerable and/or nonregisterable interests in matters appearing on the agenda, and the nature of that interest.

You are also invited to disclose any dispensation in relation to any registerable interests that have been granted to you in respect of any matters appearing on the agenda.

You are also requested to complete the Declarations of Interests card available at the meeting and return it to the Democratic Services Officer before leaving the meeting.

4. Minutes 5 - 10

To confirm the minutes of the previous meetings held on 22 March 2022 and 10 May 2022.

5. Cycling Strategy

To follow

To examine delivery of ongoing cycling related schemes across the borough and their impact in terms of delivering the aims of the Transport Strategy and to influence future proposals by prioritising proposals and identifying any gaps.

Members of the public are entitled to attend this meeting and receive information about it. North Tyneside Council wants to make it easier for you to get hold of the information you need. We are able to provide our documents in alternative formats including Braille, audiotape, large print and alternative languages.

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6.	Work Programme 2022/23	11 - 16
	To formulate and approve the sub-committee's work programme for the year ahead.	
7.	The State of the Economy	17 - 38
	To receive a dashboard of data to provide an indication of the state of the economy in North Tyneside.	
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Members of the Economic Prosperity Sub Committee

Councillor Sarah Day Councillor Liam Bones Councillor Margaret Hall Councillor Val Jamieson Councillor Joe Kirwin Councillor Louise Marshall Councillor Jim Montague Councillor Martin Murphy Councillor Joan Walker (Deputy Chair) Councillor Bruce Pickard

Councillor Matt Wilson (Chair) Councillor George Westwater



Economic Prosperity Sub Committee

Tuesday, 22 March 2022

Present: Councillor M Wilson (Chair)

Councillors L Bones, T Brady, M Hall, Janet Hunter,

B Pickard, J Walker and G Westwater

Apologies: Councillors H Johnson and W Samuel

EP26/21 Appointment of Substitute Members

There were no substitute members reported.

EP27/21 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

EP28/21 Minutes

Resolved that the minutes of the previous meeting held on 25 January 2022 be confirmed and signed by the Chair.

EP29/21 Green Skills Sub-group

Consideration was given to a report which provided an update on the work of the Green Skills Sub-group. It was explained that the Sub-group had reviewed the evidence that it had received to date and had formulated its preliminary findings and conclusions. It had also decided to hold a further meeting with training providers prior to the preparation of the final report.

It was suggested that there might be a need to hold an additional meeting of the subcommittee in order to agree the final report prior to its submission to the Overview, Scrutiny and Policy Development Committee and then Cabinet.

It was **agreed** that the Chair liaise with Members should a further meeting be required.

EP30/21 The State of the North Tyneside Economy

The sub-committee was presented with data which provided an indication of the state of the economy in North Tyneside. The data included the number of people claiming Universal Credit, the number of employments furloughed, the town centre vacancy rate, the number of job advertisements, levels of earnings and qualifications within the population and new business start-ups. Some of the data elements had been compared with that of other regions across England.

In addition, in response to members requests at the previous meeting, data had also been

provided in relation to the number of sole traders setting up in business, the rates of vacant properties in the retail parks and the numbers of apprenticeships created.

It was suggested that it would be helpful for members to have comparative information on the current state of the economy and how it was prior to the pandemic. Officers agreed to provide this information to a future meeting

Members sought clarification in relation to the spike in February of the 7-day Covid infection rate per 100,000 of the population and were advised that the reasons for this would be checked with the policy team. Consideration was given as to whether the slides in relation to Covid rates were still needed and it was agreed that they would be provided at the next meeting and further consideration be given at that time. It was suggested that the data in relation to employments on furlough could be discontinued as it was no longer applicable due to the ending of the furlough scheme.

Reference was also made to the information provided in relation to the number of new sole trader start-ups in the borough which was down on previous years and lower than had been expected.

It was agreed that the update be noted.

EP31/21 Bus Partnership and Bus Services

The sub-committee received a report which provided an update on the work which had been undertaken at regional level to develop an Enhanced Partnership for bus service changes within the borough.

It was explained that in March 2021 the Government had announced that future funding for bus services had been dependent on local authorities and bus operators participating in new arrangements including the development of an Enhanced Partnership (EP) with bus operators. Each area had also been required to develop a Bus Service Improvement Plan (BSIP). The 7 authority areas covered by the North of Tyne and North East Combined Authorities had a single Joint Transport Committee which had approved the North East's BSIP in October 2021. The BSIP had also included a bid for £804M funding to transform bus services in the region.

In November 2021 the Deputy Mayor, in consultation with the Cabinet Member for Finance and Resources and appropriate Directors had been authorised to approve the Enhanced Partnership plan and scheme for consultation and to agree any amendments to the plan and scheme following the conclusion of the consultation exercise.

Each area was required to share a draft EP plan and scheme with the Department of Transport (DfT) by the end of April 2022. Once the plan and scheme has been considered and finalised with the DfT formal consultation with the public and bus operators would be carried out prior to the EP plan and scheme being approved.

It was noted that bus usage had not returned to pre-Covid levels and the Covid grant support funding for bus operators had been extended to October 2022. Details of the changes being made to bus services in the area by the bus operators from the 27 March 2022 were outlined. It was explained that Nexus and the bus operators had worked

together to ensure that the changes had been timed to accord with the changes that Nexus had made to the secured bus services.

Reference was made to the implications of high fuel costs and whether this was expected to lead to an increase in demand for the use of public transport and more active travel, such as cycling. It was explained that whilst it would be a personal choice to use public transport there were several issues which would need to be addressed to encourage more people out of their cars, including addressing safety concerns, encouraging concessionary pass holders to make more use of their passes and improving the information available to the public about bus and Metro services. It was suggested that the appropriate Cabinet member and a representative of Nexus or the Joint Transport Committee be invited to a future meeting to provide an update on public transport in the borough.

It was suggested that there was a perception that there had been an uncoordinated approach to the provision of bus shelters in the borough. Reference was made to bus shelters being installed in locations that had recently had bus routes that used the bus stop either ended or diverted to another location. It was suggested that Members raise specific examples within their ward with Nexus.

It was **agreed** that (1) the Cabinet Member be invited to a future meeting to provide an update on public transport in the borough; and

(2) a representative of Nexus and/or the Joint Transport Committee be invited to attend a future meeting to provide an update on public transport in the borough and how this was communicated with residents.



Economic Prosperity Sub Committee

Tuesday, 10 May 2022

Present: Councillor M Wilson (Chair)

Councillors L Bones, M Hall, Janet Hunter, H Johnson,

B Pickard, J Walker and Westwater

Apologies: Councillors J Harrison and W Samuel

EP33/22 Appointment of Substitute Members

There were no substitute members appointed.

EP34/22 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

EP35/22 Green Skills Sub Group

In November 2022 the Sub-Committee had appointed the Green Skills Sub Group to:

- a) consider the steps required to ensure residential, public, commercial and industrial buildings in the borough have the lowest possible carbon emissions to support the Council's 2030 net zero ambition;
- b) analyse the skills, qualifications and accreditations that will need to be gained by the local workforce so that:
 - i. they are equipped to deliver energy efficient buildings;
 - ii. the need for imported skills is avoided; and
 - iii. the borough benefits from the low carbon economic growth;
- c) identify sources of funding that could be accessed for skills and training from a variety of sources to support the local economy; and
- d) make recommendations to the Elected Mayor and Cabinet on how the Council and its partners might stimulate the local training market so that the required skills, qualifications and accreditations can be taught to our residents by North Tyneside based providers.

Since then the Sub Group had held a series of evidence gathering meetings with officers and key stakeholders during January and February 2022 and had regard to a wealth of policy documents and research papers which had been published in relation to decarbonising the built environment and the skills and jobs that will be required to deliver it. The Sub Group had reviewed the evidence received and had prepared a report setting out its findings, conclusions and recommendations.

The Sub-Committee considered whether to approve, amend or reject the report and recommendations for submission to the Cabinet. The Chair of the Overview, Scrutiny and Policy Development Committee had waived the requirement that the report be submitted to and approved by the Committee because its next scheduled meeting is not until 13 June 2022. It was hoped that by presenting the report and recommendations to Cabinet at the

earliest opportunity this would assist the Cabinet in reviewing and revising its Climate Emergency Action Plan during the summer.

Resolved that the report of the Green Skills Sub-Group be approved for submission to Cabinet at its meeting on 23 May 2022.

Agenda Item 6

Meeting: Economic Prosperity Sub-Committee

Date: 5 July 2022

Title: Work Programme 2022/23

Author: Michael Robson Tel: 643 5359

Service: Law and Governance

Wards affected: All

1. Purpose of Report

1.1 To present the sub-committee with potential topics for inclusion in the 2022/23 Economic Prosperity Sub-Committee work programme.

2. Recommendations

2.1 The sub-committee is recommended to agree a work programme for 2022/23 and identify any further topics relevant to the remit of the sub-committee that could be included in the work programme.

3. Details

- 3.1 The sub-committee are invited to give consideration to determining its work programme for the year ahead. In doing so members may wish to take into account the following suggestions and framework.
- 3.2 The sub-committee is one of a number of overview and scrutiny sub-committees. The role of overview and scrutiny is described in the Council's Constitution as follows: "Overview, Scrutiny and Policy Development involves councillors of all political parties, as leaders of their communities, examining the delivery of services and influencing decision makers to ensure that they meet the needs, and improve the lives, of people in North Tyneside.

It does this by:

- a) reviewing and challenging the impact of decisions and actions taken by the Elected Mayor, Cabinet and partner organisations;
- b) carrying out investigations into services and policy areas of interest and concern to communities in North Tyneside;
- c) involving communities in its work and reflecting their views and concerns; and
- d) supporting and assisting the Elected Mayor, Cabinet and partner organisations in the formulation of their future plans, strategies and their decision making by making evidence based recommendations to them on how services can be improved."

- 3.3 The Economic Prosperity Sub-Committee has responsibility to perform these roles in relation to the following areas:
 - Economic Development
 - Planning
 - Business and Enterprise
 - Transport Network
 - Highways and Road Safety
 - Town Centres
 - Inward Investment
 - Tourism
- 3.4 To ensure that the work programme is effective it is suggested that when evaluating topics for inclusion in the work programme the following criteria should be considered:
 - Is it timely?
 - Will it duplicate any other work ongoing within the Council or the North East Combined Authority scrutiny work programme?
 - Will it add value/contribute to policy development?
- 3.5 A draft work programme has been formulated in consultation with the Chair and relevant officers. This is attached as Appendix A. It is based on outstanding scrutiny exercises carried over from 2021/22. It also contains some topics identified by members of the Council who have all been invited to suggest topics for examination by the overview and scrutiny committees and issues discussed at a meeting of scrutiny chairs and deputies held on 20 June 2022.
- 3.6 The sub-committee has the option of establishing sub-groups (of around 4/5 members) to carry out in-depth investigations. The sub-groups operate in a more informal way and can consult with a wide range of witnesses in various settings, often over a shorter period of time. When dealing with a specific topic, this focused way of working is often more productive than trying to achieve the same in a formal committee setting. Whilst more than one topic can be prioritised across the municipal year, only one sub-group can be established at any one time due to resourcing restraints. As yet a topic has yet to be identified for in-depth investigation by a sub-group.
- 3.7 The sub-committee are invited to raise any others topics relevant to the remit of the sub-committee that they think should be included in the work programme. Additional topics may be included in the work programme now and throughout the year in consultation with the Chair and the Deputy Chair.

4. Appendices

Draft Economic Prosperity Sub-Committee work programme 2022/23

5. Background Information

The following documents have been used in the compilation of this report and may be inspected at the offices of the author:

- North Tyneside Council Constitution
- Economic Prosperity Sub-Committee minutes and work programme 2021/22

Economic Prosperity Sub-Committee Work Programme 2022/23

Chair: Councillor M Wilson

Deputy Chair: Councillor J Walker DSO: Michael Robson

Agenda Item	Purpose	Lead Officer	Outcome/Issues			
5 July 2022						
Work programme 2020/21	To formulate/approve the sub-committee's work programme.	Michael Robson				
The State of the Economy report	To receive at each meeting a dashboard of data to provide an indication of the state of the economy in North Tyneside.	Sean Collier Pam Colby				
Ocling and Walking Improvement Plan သ	a) to examine delivery of ongoing cycling related schemes across the borough and their impact in terms of delivering the aims of the Transport Strategy; and b) to examine and influence proposals for a cycling and walking improvement plan in terms of prioritising proposals and identifying any gaps.	Nick Bryan	To include consideration of:			
27 September 2022						
Transport Strategy 2017-23	To meet with Councillor Carl Johnson, Deputy Mayor, to continue to monitor delivery of the Council's <u>Transport Strategy</u> by examining the annual report due to be submitted to Cabinet on 1 August 2022.	Colin MacDonald Nick Bryan				
Cost of Living	To examine the Council's arrangements to enable those in need to access the Government's financial support schemes in response to the rising costs of living.	Finance				

Green Skills for Retrofit Jobs	To receive the Cabinet's response to the sub-committee's report.	Michael Robson
The State of the Economy report	To receive at each meeting a dashboard of data to provide an indication of the state of the economy in North Tyneside.	Sean Collier Pam Colby
29 November 2022		
	T	I
Inclusive Economy	To meet with the Cabinet Member for Inclusive Economy,	Mark Barrett
	Councillor Hannah Johnson, to examine the delivery of	Julie Dodds
	the Council's inclusive economy strategy.	
The State of the	To receive at each meeting a dashboard of data to	Sean Collier
Economy report	provide an indication of the state of the economy in North	Pam Colby
70	Tyneside.	
Ø		
2 January 2023		
The State of the	To receive at each meeting a dashboard of data to	Sean Collier
E b onomy report	provide an indication of the state of the economy in North	Pam Colby
	Tyneside.	
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21 March 2023		
The State of the	To receive at each meeting a dashboard of data to	Sean Collier
Economy report	provide an indication of the state of the economy in North	Pam Colby
Lectionity report	Tyneside.	1 am oony
	i yricsiuc.	

Suggested issues for inclusion in the work programme

Cost of Living	To examine the impact of the increase in the cost of living both in terms of its effect on individuals but also the local economy.		
	To examine the economic impact of the rise in fuel prices for example its effect on transport business such as bus companies and hauliers, the avoidance of costs in terms of increasing numbers of workers working from home, the inequality of opportunity to work from home and the costs for those workers who travel as part of their duties eg home care workers.		
Pa	To meet with representative of The Business Forum to gain an understanding of the issues and pressures facing local businesses relating to the rise in costs.	Sean Collier Karen Goldfinch	The sub-committee to arrange a listening event with the Forum.
Farking 15	To look at the process for dealing with the requests for the introduction of parking restrictions to see if the system could be simpler and more transparent.		The North Tyneside Parking Strategy is due to be considered by Cabinet in August 2022.
Town Centres	To continue to monitor the development and delivery of the town centre masterplans for North Shields and Fish Quay, Wallsend, North West, Whitley Bay.	Graham Sword John Sparkes	Previously reported in January 2022
Care skills shortage	A joint piece of work Adult Social Care, Health & Wellbeing Sub in relation to the care workforce, focusing on what the Council can do to help address the skills gap and lack of training available within the sector.		
North Shields Cultural Quarter	This had been discussed as a priority issue for Culture and Leisure Sub but it has been acknowledged that this also cuts across the remit of Economic Prosperity.		

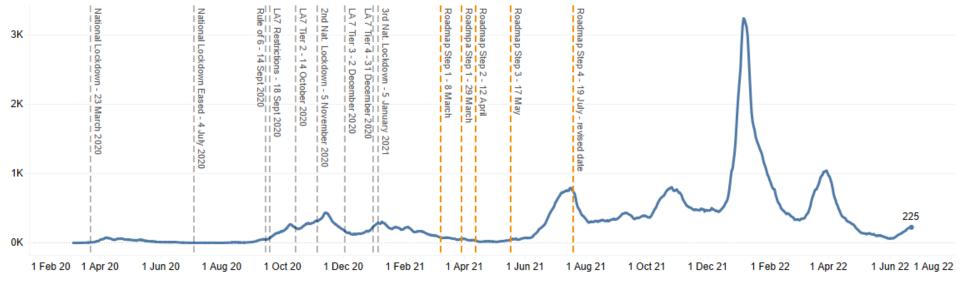
Economic Prosperity Sub-Group



Number of cases and 7 day infection rate have risen

New cases in latest 7 days 22 June 2022		% 18+ population vaccinated (2 doses) 27 October 2021
471	226	79.16%

North Tyneside - 7 day infection rate per 100k population Source - GOV.UK





Number of Universal Credit Claimants has "levelled off" since November 2020

Source - Department for Works and Pensions

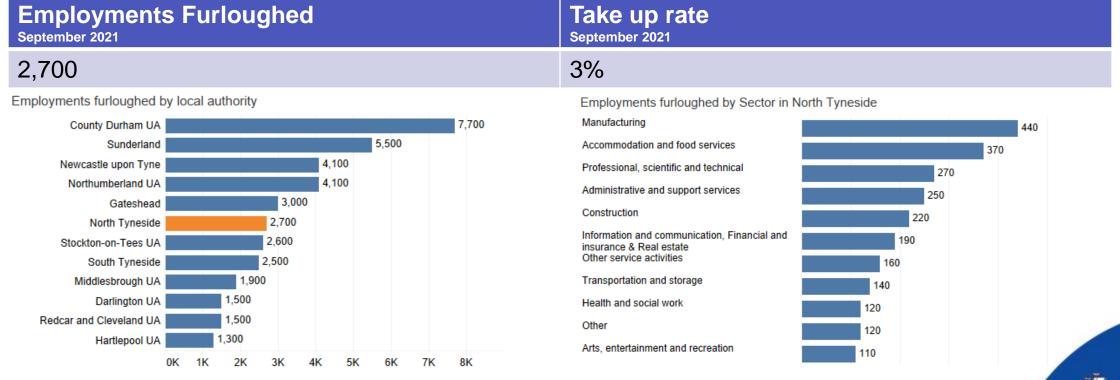
		UC Claimants in work May 2022
18,451	5,770	7,300





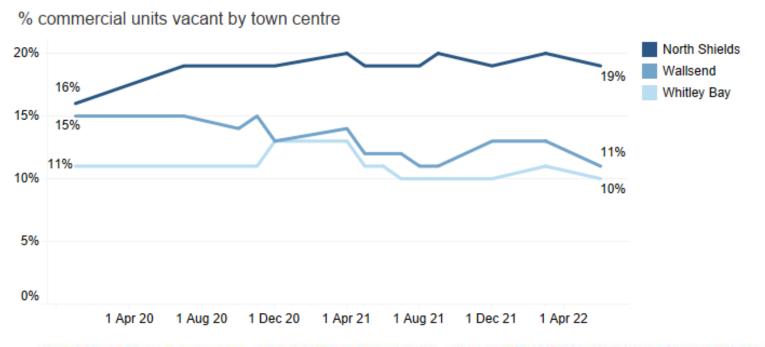
Employments on furlough have decreased to 2.7k. Largely in accommodation and food services and manufacturing.

Furlough peaked in July 2020 at 28k employments



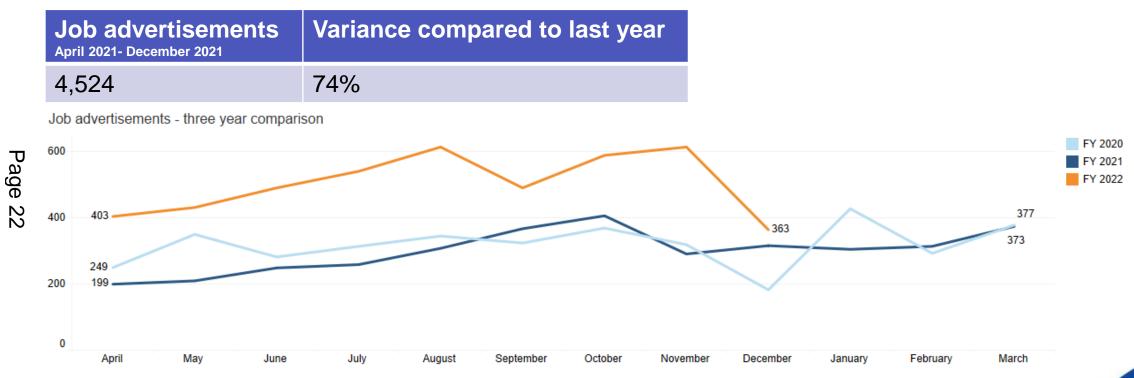
Town Centre Vacancy Rate has fallen in North Shields, Wallsend and Whitley Bay. Shops and showrooms represent nearly half of all empty units in town centres.

Silverlink vacancy rate June 2022	Killingworth vacancy rate June 2022	Royal Quays vacancy rate June 2022	
14% (3 units)	0%	9% (5 units)	
North Shields vacancy rate June 2022	Wallsend vacancy rate June 2022	Whitley Bay vacancy rate June 2022	
19% (72 units)	11% (31 units)	10% (48 units)	





Job advertisements have almost doubled compared to last year



The NHS, Akari Care Ltd and North Tyneside Council have advertised the highest number of job vacancies this year.



Job advertisements by industry for latest month (top ten industries at Standard Industrial Classification one-digit level)

Industry	Number of vacancies	% of vacancies
Human health and social work	134	49.6%
Education	32	11.9%
Financial and insurance	27	10.0%
Wholesale and retail trade; repair of motor vehicles	21	7.8%
Manufacturing	14	5.2%
Information and communication	9	3.3%
Public administration and defence, social security	6	2.2%
Professional, scientific and technical	6	2.2%
Accommodation and food service	6	2.2%
Administrative and support service	5	1.9%

Of the 363 vacancies for December, 93 did not include an industry classification at this level



Job advertisements by industry for latest month (top ten industries at Standard Industrial Classification two-digit level)

Industry	Number of vacancies	% of vacancies
Human health	89	34.6%
Residential care	32	12.5%
Education	32	12.5%
Financial services, expect insurance and pensions	27	10.5%
Retail trade, except motor vehicles	17	6.6%
Social work activities without accommodation	13	5.1%
Computer programming, consultancy and related	8	3.1%
Public administration and defence; social security	6	2.3%
Food and beverage service	6	2.3%
Wholesale and retail trade; repair of motor vehicles	4	1.6%

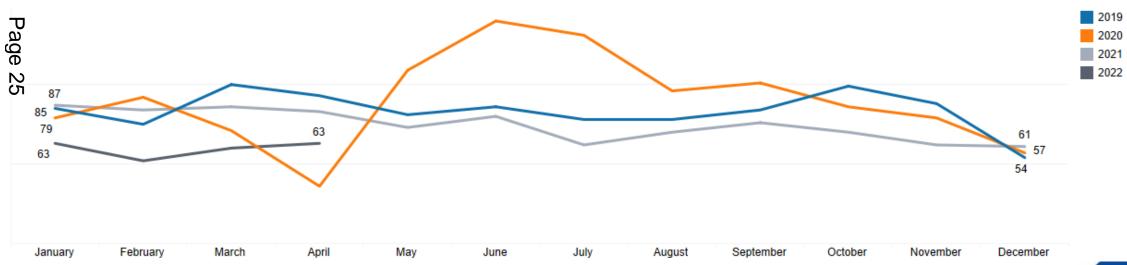
Of the 363 vacancies for December, 106 did not include an industry classification at this level



The number of new businesses is lower than previous years

New Business Start Ups April 2022	Variance compared to last year
63	-24.1%



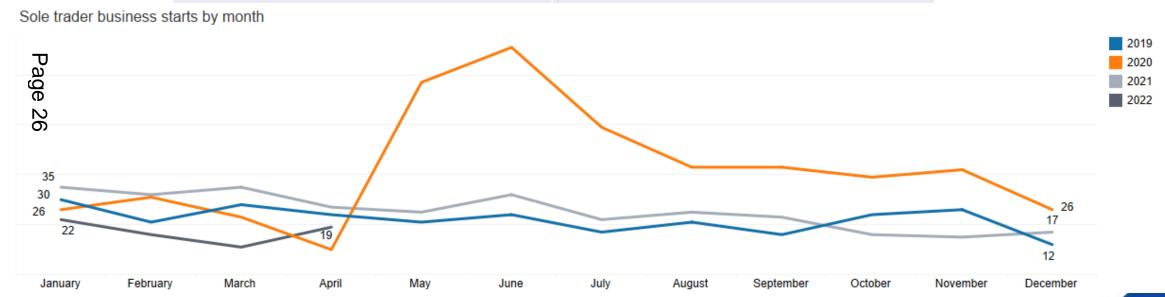


Source – Main suppliers of business banking services (new small business current accounts). Provided by BankSearch Information Consultancy Ltd.



The number of new sole trader businesses is also lower than previous years

Sole Trader Business Start Ups April 2022	Variance compared to last year
19	-29.6%



Source – Main suppliers of business banking services (new small business current accounts). Provided by BankSearch Information Consultancy Ltd.



The number of companies 'in distress' has increased

In Distress Companies	March 2022	Change over month	Annual growth	Proportion of Stock
North Tyneside	667	+38	47.6%	7.4%
North East	5,787	+222	42.8%	7.1%
England	314,167	+13,566	44.6%	7.0%

Of the 667 North Tyneside companies 'in distress', 485 are 'active proposal to strike off', 176 are in 'liquidation', with other insolvency procedures making up the rest.

Source - Companies House data, provided by BankSearch Information Consultancy Ltd.



Companies 'in distress'

North Tyneside	March 2022	Change over month	Annual growth	Proportion of Stock
Accommodation	80	+4	60.0%	0.9%
Administrative Services	46	+4	17.9%	0.5%
Agriculture	5	+3	150.0%	0.1%
Construction	101	+5	38.4%	1.1%
Education	11	+1	0.0%	0.1%
Entertainment and recreation	19	+2	111.1%	0.2%
Financial and insurance	12	-1	71.4%	0.1%
Health and social work	7	0	16.7%	0.1%
Information and communication	40	+2	100.0%	0.4%



Companies 'in distress'

North Tyneside	March 2022	Change over month	Annual growth	Proportion of Stock
Manufacturing	32	+1	68.4%	0.4%
Mining and quarrying	4	0	33.3%	0.0%
Other	41	+4	70.8%	0.5%
Professional services	89	+9	64.8%	1.0%
Public admin and defence	1	0	0.0%	0.0%
Real estate	30	+1	57.9%	0.3%
Transportation and storage	10	-2	100.0%	0.1%
Utilities	2	-1	∞	0.0%
Wholesale and retail trade	70	+3	9.4%	0.8%
Unknown	67	+3	45.7%	0.7%

Source – Companies House data, provided by BankSearch Information Consultancy Ltd.

Out of Work Benefit Claimants

Proportion of age 16-64 population

Source - Department for Work and Pensions

	November 2018	November 2019	November 2020	November 2021
North Tyneside	10.7%	11.8%	15.3%	13.9%
North East	12.6%	14.2%	17.9%	16.7%
North West	11.5%	12.7%	17.0%	15.8%
Yorkshire and The Humber	10.0%	11.3%	15.3%	14.3%
East Midlands	8.3%	9.5%	13.1%	12.2%
West Midlands	9.8%	11.2%	15.6%	14.5%
East	7.1%	8.0%	11.9%	10.8%



Out of Work Benefit Claimants

Proportion of age 16-64 population

Source - Department for Work and Pensions

	November 2018	November 2019	November 2020	November 2021
London	7.8%	8.8%	14.6%	13.0%
South East	6.4%	7.2%	11.1%	9.9%
South West	7.8%	8.7%	12.2%	11.1%
Great Britain	9.0%	10.1%	14.3%	13.1%



Earnings by residence

Median gross weekly pay for full-time workers

Source – Office for National Statistics Annual Survey of Hours and Earnings

	2018	2019	2020	2021
North Tyneside	£542.60	£574.90	£563.20	£575.10
North East	£511.10	£531.40	£525.20	£546.80
North West	£529.80	£555.80	£558.10	£578.00
Yorkshire and The Humber	£520.40	£540.80	£539.70	£568.50
East Midlands	£529.90	£547.50	£562.50	£573.40
West Midlands	£535.50	£550.80	£551.70	£581.80
East	£589.40	£610.20	£607.60	£628.60



Earnings by residence

Median gross weekly pay for full-time workers

Source - Office for National Statistics Annual Survey of Hours and Earnings

	2018	2019	2020	2021
London	£670.80	£699.30	£714.30	£728.40
South East	£614.90	£636.30	£629.00	£660.10
South West	£537.60	£560.90	£558.90	£577.30
Great Britain	£570.50	£587.50	£587.40	£613.10



Proportion of residents aged 16-64 with NVQ2+ qualification Source – Office for National Statistics Annual Population Survey

	2018	2019	2020	2021
North Tyneside	76.8%	74.6%	80.3%	77.8%
North East	73.0%	73.5%	75.5%	75.0%
North West	74.1%	74.5%	76.6%	77.3%
Yorkshire and The Humber	71.8%	72.5%	75.5%	76.4%
East Midlands	72.0%	74.4%	76.6%	74.7%
West Midlands	70.4%	71.7%	74.8%	75.2%
East	72.8%	74.2%	77.0%	76.7%



Proportion of residents aged 16-64 with NVQ2+ qualification Source – Office for National Statistics Annual Population Survey

	2018	2019	2020	2021
London	78.0%	78.5%	81.5%	81.5%
South East	78.9%	79.1%	80.5%	80.7%
South West	78.6%	78.2%	79.6%	80.3%
Great Britain	74.9%	75.6%	78.1%	78.2%



Proportion of residents aged 16-64 with NVQ4+ qualification Source – Office for National Statistics Annual Population Survey

	2018	2019	2020	2021
North Tyneside	33.6%	34.0%	41.9%	40.9%
North East	31.1%	31.9%	34.4%	34.4%
North West	35.5%	36.1%	38.6%	38.5%
Yorkshire and The Humber	33.3%	34.2%	37.0%	38.0%
East Midlands	33.2%	34.1%	37.2%	35.6%
West Midlands	33.1%	34.1%	37.1%	38.8%
East	35.2%	36.8%	39.3%	39.5%



Proportion of residents aged 16-64 with NVQ4+ qualification

Source – Office for National Statistics Annual Population Survey

	2018	2019	2020	2021
London	53.1%	54.2%	58.7%	58.9%
South East	42.2%	43.4%	45.1%	45.1%
South West	38.7%	39.2%	40.4%	42.0%
Great Britain	39.3%	40.3%	43.1%	43.5%



Number of apprenticeship starts

