

Cabinet

12 September 2018



Update on North East Combined Authority

Report of Corporate Management Team

Councillor Simon Henig, Leader of the Council

Terry Collins, Chief Executive Officer

Ian Thompson, Corporate Director Regeneration and Local Services

Councillor Carl Marshall, Cabinet Portfolio Holder for Economic Regeneration

Purpose of the Report

1. To update Cabinet on proposals to amend the boundary and membership of NECA, to create a new North of Tyne Mayoral Combined Authority and to establish a new statutory Joint Transport Committee covering the two combined authorities.
2. In addition to seek the endorsement of Cabinet to a decision taken under urgency provisions to agree to a Deed of Cooperation between the seven Local Authorities and NECA setting out the proposed joint working arrangements in relation to transport and the North East LEP.

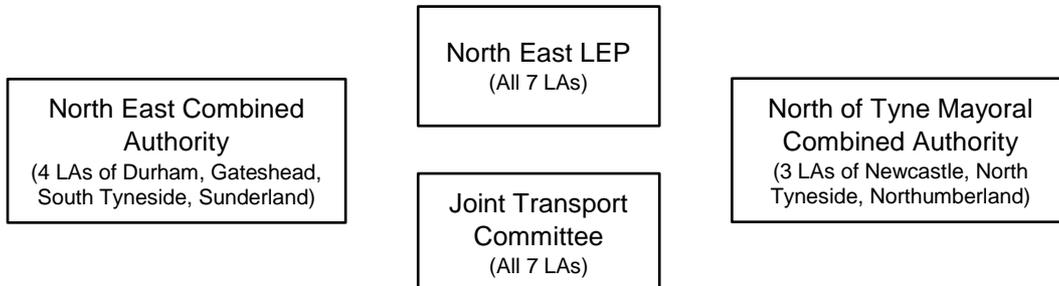
Background

3. The North East Combined Authority (NECA) was established in April 2014 covering the seven local authorities of Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland.
4. In November 2017, the North of Tyne Authorities (Newcastle upon Tyne, North Tyneside and Northumberland) agreed to a "minded to" Devolution Deal with Government. In order to implement this deal there is a requirement to establish a new Mayoral Combined Authority, which in itself requires the three councils to withdraw from the existing NECA.

Revised arrangements

5. In considering the revised governance arrangements, Government mandated that the two combined authorities maintain joint arrangements for transport. The statutory Order amending NECA and creating the new North of Tyne Mayoral Authority will therefore also establish a statutory Joint Transport Committee, with the intention of replicating the existing approach to transport governance across the NECA area.

6. Once the Order takes effect the organisational structure will move from one Combined Authority and one LEP, to four entities (as set out below), which will need to work closely together to collectively deliver transport and the ambitions set out the North East Strategic Economic Plan.



Joint Transport Committee

7. The Joint Transport Committee will comprise four members (and four substitutes) from the revised NECA, and three members (and three substitute members) from the new Mayoral Combined Authority (MCA), one of the members being the Mayor, unless the Mayor agrees otherwise.
8. The Transport Committee will discharge the transport functions of both Combined Authorities, set the transport levies, and determine anything to be done in relation to property, rights and liabilities held in relation to transport.
9. The statutory Order will allow for different levies to be raised for Tyne and Wear, County Durham and Northumberland, and also allow for the delegation of transport functions to constituent authorities, reflecting the current arrangements for Durham.
10. The Order also makes provision for the Joint Transport Committee to appoint a Proper Officer for transport, being the principle officer to assist the committee in the exercise of its transport functions.
11. Joint arrangements between NECA and North of Tyne MCA will be established to provide for the scrutiny and audit of the responsibilities of the Transport Joint Committee. The joint arrangements will provide for an Overview and Scrutiny Committee and an Audit Committee comprising elected Members from the constituent authorities of both Combined Authorities.

Joint Working Arrangements – Deed of Co-operation

12. In April 2018, the NECA Leadership Board resolved to agree in principle to amend NECA's boundary to remove Newcastle upon Tyne, North Tyneside and Northumberland, to permit the creation of a Mayoral Combined Authority covering these areas, and to establish joint transport governance arrangements, which cover the seven local authorities.

13. The Leadership Board instructed its Officers to develop a 'Deed of Co-operation', setting out a legal framework for future joint working and co-operation in relation to transport matters and the North East Local Enterprise Partnership, to implement the Order.
14. The decision to agree the terms of the Deed of Cooperation had to be taken as a matter of urgency prior to July Cabinet to ensure that formal consent to the making of the changes to NECA could be given as soon as required by Government. The decision of the Chief Executive and Corporate Directors of Regeneration and Local Services and Resources is attached at Appendix 2.
15. Paragraph 12 of Table One of the Constitution which authorises decisions to be taken by the Corporate Directors in the event of urgency requires such decisions to be reported for information to the next convenient meeting of the body which would normally make the decision.

Parliamentary process and timescales

16. The draft Order was laid in Parliament before the summer recess. It is anticipated that Parliament will debate the Order during September/October, with an earliest potential implementation date of 1 November 2018.
17. In preparation for the implementation of the Order, officers from the existing NECA and the proposed revised membership of NECA are reviewing the operational implications of the changes.

Summary and Conclusions

18. This report is for information only and requires no decisions.

Recommendations and reasons

19. Cabinet are recommended to note the update on changes to NECA and revised governance arrangements; and to note the decision taken under urgency powers to enter into a Deed of Cooperation with NECA and the other six local authorities setting out the legal framework for joint working going forward.

Background Documents

20. Report to the Council "The Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority" dated 2 April 2014.

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Appendix 1: Implications

Finance –

None specific in this report

Staffing –

None.

Risk –

None.

Equality and Diversity / Public Sector Equality Duty –

None.

Accommodation –

None.

Crime and Disorder –

None.

Human Rights –

None.

Consultation –

None.

Procurement –

None.

Disability Issues –

None.

Legal Implications –

The Deed of Cooperation supplements the provisions of the Order creating a new Combined Mayoral Authority and making consequential changes to the governance arrangements for NECA.