

## **NORTHUMBERLAND COUNTY COUNCIL**

### **DEVOLUTION WORKING GROUP**

At the inaugural meeting of the **Northumberland County Council Devolution Working Group** held in the **New Hartley Room, County Hall, Morpeth, Morpeth, NE61 2EF** on **Monday 4 December 2017** at **2:00 p.m.**

#### **PRESENT**

#### **MEMBERS**

Bawn, D.  
Daley, W.  
Davey, G.  
Dickinson, S.

Jackson, P.  
Reid, J.  
Renner-Thompson, G  
Roughead, G.

#### **OFFICERS**

Henry, L.  
Paul, G.

Roll J  
Rose J

Legal Services Manager  
Service Director Partnerships and  
Devolution  
Democratic Services Manager  
Economic and Inclusion Policy  
Manager

#### **1. ELECTION OF CHAIR**

**RESOLVED** that Councillor Peter Jackson be appointed Chair of the Working Group.

#### **2. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Daljit Lally, Chief Executive and Councillor R.Wallace.

#### **3. MEMBERSHIP AND TERMS OF REFERENCE**

**RESOLVED** that the membership and Terms of Reference be agreed as follows:

9 members: (5:2:1:1)

Conservative	Labour	Liberal Democrat	Bedlington Independent
Bawn, D	Davey, G	Reid, J	Wallace, R
Daley, D	Dickinson, S		
Jackson, P			
Renner-Thompson, G			
Roughead, G			

**Function:**

To consider and make recommendations to Council on opportunities for promoting economic growth in the County through the proposed North of Tyne Combined Authority (NTCA) and the associated devolution of powers and responsibilities from Government.

**Purpose:**

The purpose of the working group is to create an opportunity for members to discuss issues and opportunities with key officers in relation to maximising the economic growth benefits for Northumberland and the North of Tyne as presented by the formation of the NTCA, and to highlight areas for review. The working group will particularly consider strategic issues in relation to the development and delivery of the North of Tyne Investment Programme.

**4. APPOINTMENT OF VICE-CHAIR**

**RESOLVED** that Councillor S. Dickinson be appointed Vice-Chair of the Working Group.

**5. DISCLOSURE OF MEMBERS' INTERESTS**

Councillors G. Davey and P. Jackson both disclosed an interest in respect of any issues discussed as part of North East Combined Authority (NECA) agendas over the past 3 years. A Letter of Dispensation had been lodged with the Council

## 6. NORTH OF TYNE DEVOLUTION DEAL

Copies of the 'minded to approve' Devolution Deal were circulated to Members who then received a presentation from Geoff Paul which summarised the key points of the deal. (Copies of the Draft Deal and presentation are filed with the signed minutes)

### The key points included:

- The historic context of the proposal to develop a North of Tyne Combined Authority (NTCA);
- Following discussions since 2016, Government had now accepted different Governance arrangements to support North East economic growth and a 'minded to approve, deal had been announced;
- The focus of the arrangements was linking the North of Tyne strengths and opportunities with activity aimed at delivering outcomes to support the Strategic Economic Plan;
- The arrangements were not envisaged to build a wall around the North of Tyne area but to develop a collaborative framework and positive relationship with all NE Local Authorities and the Local Enterprise Partnership (LEP);
- The arrangements would Increase productivity and overall economic impact as North of Tyne, with socially focussed outcomes such as:
  - Below average unemployment and above average wages
  - Commitment to supporting learning at all ages
  - Good quality, affordable housing choices for all
  - Creating a stronger sense of hope for the future and reversing the narrative of decline

### Governance

- Elections would be held in May 2019 for a directly elected mayor for a five year term followed by four year terms; An Interim Mayor would be appointed in May 2018. **A member queried the governance of the mayor and queried whether such power should lie with one person. The Governance arrangements were explained and it was stated that the mayor would be subject to scrutiny and held accountable by the community.**
- The 'Embedded mayoral model' provides for the Mayor to chair the Leadership Board, alongside 2 representatives per local authority;
- A North East LEP representative would sit on the North of Tyne Board and the Mayor would sit on NELEP board;
- The Mayor would appoint an Ambassador for Business (non voting);
- Transport would be governed through NTCA/NECA Joint Committee replicating current responsibilities and voting arrangements.

## **Deal Content: People - Education and Skills**

- An Inclusive Growth Board would ensure a coordinated approach to tackling inequalities and supporting vulnerable residents;
- A North of Tyne Education Improvement Challenge initiative would tackle disparities in achievement across the area, increase STEM attainment and improve career support’;
- The Adult Education Budget of £23m per year would be devolved;
- A Business case would be developed for an Institute of Technology; and
- Support would be available to develop proposals to attract and retain graduates and skilled workers.

## **People: Inclusion**

- Government support would be available for a number of pilot areas to tackle barriers to employment;
- Arrangements would be agreed and adopted for an Employment Support Framework to align North of Tyne and DWP/health programmes;
- A labour market pilot would focus on retention and progression of older workers;
- Business cases would be submitted to Government for an employer behaviour programme to support recruitment and retention of those with long-term health conditions or disabilities and also for people returning to work after a career break.

## **Deal content: growth – investment fund**

- The deal provided for an Investment fund of £20m revenue per year over 30 years. This funding could be moved between financial years. **A query was raised as to whether this funding was inflation linked;**
- Full flexibility would be granted on a grant/loan mix, multi-year programming etc; and early drawdown before the May 2019 election;
- Focus of the fund is expected to be on on growth opportunities in energy, digital, culture/visitor economy & life sciences, and support to residents to access job opportunities

## **Deal content: growth – industrial strategy**

- The Deal forms part of place-based industrial strategy; which will enable North of Tyne to bid into future industrial strategy funds;
- There is a commitment to consider business cases in North of TyneT priority areas of energy, culture and creative industries, digital & 5G, life sciences and ageing;
- Enhanced collaboration with Department for International Trade will

include export advice, trade missions and targeted support for inward investment in NT key sectors;

- Support will be provided for superfast connectivity rollout, fibre optic cable to Europe, smart data; and
- Close working with NELEP will continue.

### **Deal content: place**

- New powers would accelerate delivery of new homes and support delivery on strategic sites;
- A Housing and Land Board would oversee an integrated programme of housing delivery & maximise use of public sector land, including specialist housing;
- A commitment had been given to work towards Housing Growth Deal for North of Tyne over the coming months;
- Collaboration would take place on low carbon/energy projects;
- The impact of Great Exhibition of the North would be maximised, including legacy;
- A North of Tyne Rural Productivity Plan & Rural Scale up Champion for England would be introduced;
- **Local Enterprise Zones would remain and help evidence need in those areas in order to access Government funding;**
- Protecting the current arrangements is central to the deal;

### **Transport**

- New Joint Transport Committee (comprising NECA / NTCA members);
- A 'business as usual' approach would see the replication of the following current arrangements within NECA:
  - Role and responsibilities
  - Voting arrangements and LA representation
  - Decision making criteria
  - Northumberland and Durham status
  - 5 T&W LAs deal with T&W issues
- The Mayor will not have franchising powers

### **Next Steps**

- The statutory process to create NTCA and divorce from NECA with associated branding and marketing;
- Transforming the deal into delivery and actively seek future deals;
- Capacity between the 3 local authorities was queried. Services would be purchased as appropriate;
- The following timetable was given:

Issue	Date
Devolution Deal Announced	November 2017
NT LAs agree to institute governance review	November 2017
NT special co-ordinated cabinets agree to publish GR for consultation, subject to ratification by Councils	Nov/Dec 2017
NECA LAs advised of decisions made	Dec2017
NT LAs publish scheme and undertake consultation	Dec 2017 / Jan 2018
Consultation responses to SoS	Jan 2018
Necessary Consents from authorities (NT and NECA) *	Feb 2018
Orders laid in Parliament	March 2018
Orders made, NTCA created, Interim mayor appointed and Joint Transport Committee set up	Prior to Summer 2018
Mayoral Elections to NTCA	May 2019

- The consultation process was explained and would include meetings with stakeholders, seminars for businesses and wide public consultation using a number of platforms;
- Cabinets across the three local authorities would meet on the 11th and 12th December and be asked to approve the Governance Review Findings and formally agree to entering into consultation on the changes to regional governance;
- All of the statutory tests had been met and the deal was designed to tackle issues in all constituent communities;
- It was suggested that whilst the proposed area is large, the North of Tyne Combined Authority was still considered to be comparatively small given the population of around 800k;
- It was confirmed that the Mayor could issue a 2p levy on business rates to fund special projects. This had to be approved by the business community;
- A Mayoral precept may be set for mayoral activities but the budget had to be approved by  $\frac{2}{3}$  of the Cabinet. **A list of proposed salaries was requested.**
- The Borderlands initiative would progress to the next stages in the new year and help ensure the interests of Northumberland were protected;
- The name of the new authority was yet to be determined.

**RESOLVED** that the information be noted and the requested information circulated to the Group.

## 7. NEXT MEETING

**Agreed** that the Group meet towards the end of the consultation period on a date to

be agreed.

**PETER JACKSON  
CHAIR**