

NORTHUMBERLAND COUNTY COUNCIL

DEVOLUTION WORKING GROUP

At the meeting of the **Northumberland County Council Devolution Working Group** held in **Committee Room 1, County Hall, Morpeth, NE61 2EF** on **Thursday, 12 April 2018** at **3:00 pm**.

PRESENT

Councillor P Jackson (Chair in the Chair)

MEMBERS

Daley, W
Reid, J

Roughead, G
Wallace, R

OFFICERS

Henry, L
Johnston, P
Norris, K

Legal Services Manager
Interim Director of Place
Democratic Services Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors D Bawn, G Davey, S Dickinson, G Renner-Thompson.

2. NOTES

The notes of the meeting of the Devolution Working Group held on 7 February 2018, as circulated, were received and noted.

3. DECLARATIONS OF INTEREST

Councillor Reid declared an interest as he intended to apply for the position of Interim Mayor.

4. PRESENTATION BY PAUL JOHNSTON, INTERIM EXECUTIVE DIRECTOR: PLACE

Paul Johnston, Interim Executive Director: Place provided a presentation to update members on the present position of the North of Tyne devolution deal (A copy of the presentation is filed with the official notes of the meeting.)

The issues covered were:

- Governance update
- Portfolio Summary
- Next Steps

The draft order had been through various iterations, the latest one having addressed South of Tyne concerns. The draft letter, accompanied by a side letter, had been broadly agreed by NECA Chief Executives on advice of the Monitoring Officers. Officers were confident that an agreement would be reached on the terms of the side letter. A meeting of the NECA Leadership Board would take place on 17 April which would separate the 7 Councils from NECA and withdraw from the NECA arrangements. Arrangements would be made for a Joint Transport Committee then a Newcastle, North Tyneside and Northumberland Combined Authority would be created.

In response to a question as to what would happen if South Tyneside refused to let Newcastle, North Tyneside and Northumberland leave NECA it was stated that it would be a Government decision. It was pointed out that if only one authority voted against the combined authority it was unlikely that it would not go ahead as the current situation was that it should be a majority vote.

Information regarding Portfolios and a summary of each theme was provided. It was noted that Northumberland was well represented and decisions would be influenced by its officers and members.

Economic Growth

In response to questions the following information was provided:

- With regard to EU funding it was stated that the Shared Prosperity Fund would come forward and there would still be some funding which would be open to bids. The investment fund was critical and it would need to be ensured there was a basis on which funds could be managed. That would be an early priority and a process by which projects could be evaluated.
- There had been no indication that the sum of £20 million would be scaled down in the first year and it was anticipated that it would run over a 9 month period from 31 July to 31 March.

- It was understood that funding would be given at the beginning of each year. Credit would be used over the 5 year period and there would be 5 yearly review cycles which had been set up.
- Another type of funding was an evaluation scheme.
- It had been misinterpreted that £20 million would be received every year for 30 years. Effectively the economic statement would nest within the economic strategy and tie in with other economic priorities and portfolios within the North of Tyne work.

Business Competitiveness Portfolio

- With regard to Internationalisation and competitiveness, it was about making sure there were export opportunities, maximising fees and stepping up direct engagement with the Department of International Trade.
- There was a strong technological flavour to the Business Competitiveness Portfolio.

Place and Productivity Portfolio

- With regard to Rural Scale-up, there were strong rural links between the North of Tyne and the Borderland Growth Initiative.
- In terms of the NTCA profile and influence, part of that was about making the Government aware of the challenges and opportunities in the North of Tyne and having a series of national and regional showcase events. It was important to exercise influences with regional partners and make sure that the rural agenda did not drop off the radar.

Education Improvement Portfolio

- Education Ambition was a key area and a Statement of Ambition would be submitted in August 2018.
- With regard to Strategic Priorities, these included looking at school readiness and closing the gap (schools in Northumberland were currently 2 grades behind equivalent students in other areas of the North East). Students were workers of the future and schools needed to be reminded of that. One of the things the London Challenge did was attract teachers

from commonwealth countries to address their fundamental problem with black male pupils. The best of the best teachers needed to be attracted to the area and that could only be done by offering good salaries in combination with cheaper house prices and a better standard of living. It was about learning from the best and using their expertise to improve standards.

Employability and Inclusion Policy

- In terms of the Adult Education Budget devolution, it was a case of thinking about where challenges existed in getting working age adults into the right kind of jobs.
- With regard to the Joint Employment Support framework, work would be done with other organisations to make a commitment to get people into the right sort of jobs.

Housing and Land Portfolio

- Work was being done to develop a Housing 'Ask'. A Housing and Land Board had already been set up and was chaired by the Chair of Homes England.
- There was a £25 million Housing Accelerator Fund and a commitment to accelerate the supply of homes and housing developments was in the pipeline;
- Priorities existed in and around key transport structure such as the proposed Northumberland to Newcastle rail line, rural areas and housing for the elderly.

Creating the Mayoral Combined Authority

Focus on securing consent of NECA was consuming a lot of resources. Prior to 1 July existing capacity would be sufficient to get to that point. Statutory officers had been identified to move into the Combined Authority if there was a positive decision to take priorities forward. There would be much more cross Authority working than there had been to date and from 1 July the focus would change to delivery.

A member queried how much influence the interim and elected mayor would have as his/her opinions may conflict with those of the Combined Authority. It was his view that the Combined Authority would do what it wished regardless of the mayor's opinion so having a mayor would not change anything.

The Chair said the mayor would be in a position of leadership and would be able to deliver on other things. It was a matter of negotiation and there had been mayors who had not been aligned to the party in other parts of the country.

The Interim Executive Director: Place said the democratic legitimacy an elected mayor brought to the table was a powerful negotiating tool and votes would have some influence on discussions with the Combined Authority.

Summary and Next Steps

- An implementation plan had been put in place;
- there had been good progress on developing portfolio themes with relevant HMG departments and NELEP;
- politicians would drive deal themes;
- There would be broad representation from the three authorities;
- following on from NECA consent, the Combined Authority would commence on 1 July 2018.

Questions were invited and responses were as follows:

- *The North of Tyne Authority would be made up of three authorities, how would they would react with each other and the elected mayor, How would those four work together effectively?*

Work was taking place on identifying shared common priorities and a collaborative effort was being made to consider all the needs of the whole Combined Authority area. There would inevitably be some disagreements but so long as there was an evidence base in place, it was expected all four would be pointing in the same direction as the three authorities had similar issues to deal with. North Tyneside was in a better position regarding education but all schools were underperforming. The three authorities would need to work together and would receive extra funding to do so. Housing was a different issue and it was stated that more housing was being delivered in Northumberland in a year than the combined total of Newcastle and North Tyneside.

- *How would the academisation process fit into the education process?*
The Regional Schools Commission and the Regulation of Schools and Academies were working together as the outcome was equally important to both.

The Chair then referred to the previous meeting and provided updates as follows:

- Feedback would be circulated on the consultation exercise but it was not yet ready and would be circulated when complete.
- Information regarding portfolio themes would be reported at each meeting.
- With regard to page 4 of the presentation (list of names), details of discussions would be provided at future meetings.
- Following a request at the previous meeting, a map showing the Combined Authority area was tabled at the meeting. Members agreed there was no point in circulating this in greater detail.
- Although more work had been done on the theme of Education Improvement, it should be noted that work had also been done on all of the other themes.
- In response to a question regarding the core strategy and rumours about the mayor's powers in relation to that, it was stated that the rumours were untrue and comments were being made before the powers of the mayor had been decided.
- It would be beneficial for a list of questions and answers to be provided.
- A large part of strategy decisions would need to be unanimous but some could be taken as a majority decision.

With regard to the election of the Interim Mayor, Councillor Reid said there must be a process by which people had to apply. There was a mechanism but he couldn't work it out. The Legal Services Manager confirmed that candidates did have to apply and they did have to have an electoral mandate. The appointment would be made by the leaders of the three councils who would be the only members of the Combined Authority at that time. Each applicant would have to be nominated by at least one authority and it would be a Cabinet decision, as very limited decisions could be taken by full Council. With regard to the number of applicants allowed, the Legal Services Manager said he would have to read the Draft Order in order to clarify that.

4. NEXT MEETING

Agreed that the Group next meet in approximately two months - date to be confirmed.

**PETER JACKSON
CHAIR**