

NORTHUMBERLAND COUNTY COUNCIL

BREXIT AND DEVOLUTION WORKING GROUP

At the meeting of the **Northumberland County Council Brexit and Devolution Working Group** held in the **Chairman's Dining Room, County Hall, Morpeth, NE61 2EF** on **Tuesday, 10 April 2019** at **10:00 am**.

PRESENT

Councillor P Jackson (Chair in the Chair)

MEMBERS

Daley, W
Reid, J
Renner-Thompson, G

Roughead, G
Wallace, R

OFFICERS

Johnston, P
Norris, K

Interim Executive Director of Place
Democratic Services Officer

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from J Roll, Democratic Services Manager.

2. NOTES

The notes of the meeting of the Devolution Working Group held on 7 February 2019, as circulated, were received and noted.

3. BREXIT UPDATE

Paul Johnston, Interim Executive Director of Place gave a slide presentation to update members on the current position regarding Brexit. (A copy of the presentation is filed with the official notes of the meeting.)

Negotiations would take place today between the Prime Minister and EU leaders regarding an extension to Article 50. If an agreement could be reached with EU leaders to allow the Government to agree a deal with Parliament, the UK could leave the EU within 3 weeks. Discussions were taking place between the Prime Minister and Leader of the Opposition to find

an alternative way forward but, if a plan could not be agreed, a series of options would be developed which would be put to the House to determine and the Government had pledged to abide by that decision. The Withdrawal Agreement would then be brought forward and work done to pass it before 22 May so that the UK would not have to take part in European Parliamentary Elections.

If the UK was still a Member State on 23 May, it would have a legal obligation to hold elections. Confirmation had been received from the Cabinet Office that Returning Officers would be reimbursed for contingency preparations and planning was moving forward as needed.

In the event that the UK left the EU without a deal, details of a temporary tariff policy, plans to ensure the continuation of medical products and healthcare, food and fuel security, transport, ports and borders were provided.

In response to a comment, the Interim Executive Director of Place said there was still a possibility the UK could leave the EU without a deal and preparations had to be in place for that scenario. In terms of elections, there had been no talks or planning for a second referendum.

With regard to regional reporting, national reports were being brought to a local level and 'Operation Yellowhammer' was now in place. Each Local Authority was required to submit weekly returns through South Tyneside Council, the regional coordinator. Nothing had been reported from the Northumbria Local Resilience Forum (LRF) or any other LRF within the region.

A diagram to show the process was provided.

Details of NCC preparations were discussed and it was noted that monthly meetings were felt to be adequate at this stage. There was a shared folder for contributions and information.

Strategic and operational risks for NCC in the event of No Deal/Extension were listed. Members were advised there were alternatives to EU grant funding, such as the shared prosperity fund, and pots of funding from the Government. The Public Health settlement had been deferred so there was no settled budget position and some Council reserves may be required.

After today, the next key dates were:

12 April - EU exit if no deal and no extension;

23 May - EU Elections

??? - Alternative EU exit date

The Leader commented that NCC was doing a thorough job and asked if other Councils were so well prepared. In response the Interim Executive Director of Place said the CLG were driving Councils to do as much as possible and, although some would be less prepared, some were doing more, for example Newcastle City Council was holding meetings on a daily basis. NCC held monthly meetings but these could be scaled up, as and when required. Mr Johnston added that he was in daily contact with the Civic Contingencies Manager.

AGREED that the presentation be received and noted.

4. NORTH OF TYNE COMBINED AUTHORITY UPDATE

Paul Johnston, Interim Executive Director of Place gave a slide presentation to update members on the North of Tyne Combined Authority. (A copy of the presentation is filed with the official notes of the meeting.)

Mayoral elections would take place on 2 May. Verification of postal votes would take place in Morpeth from 26 April and verification of votes cast at Northumberland polling stations would take place in Blyth Sports Centre after the close of poll. The count would be held on 3 May at Northumbria University.

In response to a question about the two by-elections taking place on the same day, it was stated that further information would need to be sought from the Group Leaders.

Details of investment decisions, forthcoming decisions and business cases in development were provided.

In response to questions it was noted that:

- The route of the North of Tyne stage of the 2019 Tour of Britain Cycling event would not include Hexham.
- Precise information about the Adult Education Budget (AEB) devolution was not yet available.

AGREED that the presentation be received and noted.

5. BORDERLANDS UPDATE

Paul Johnston, Interim Executive Director of Place gave a slide presentation to provide members with a progress update on the Borderlands partnership. (A copy of the presentation is filed with the official notes of the meeting.)

Some background information was provided and it was noted that a quantum of £260 million had been announced as part of the Spring Statement 2019 with the Scottish Government also committing an additional £85 million which gave a total allocation of £345 million - £195 million to be invested on the English side and £150 million on the Scottish side.

The next steps were to:

- underpin the quantum by a 'Heads of Terms' which would outline the largely capital investment programmes and projects that the Growth deal would support.
- Aim to have this in place before the end of June.
- Continue to develop outline business cases and then full business cases to Green Book standard and secure the release of associated Treasury funding.
- If any programme/project failed to make that standard, the money would be recycled into the development of new projects within the Borderlands area.

With regard to Scottish Independence, it was queried if a risk analysis had been carried out. In response it was stated that the independence vote underpinned collaborative work done to create an economic growth agenda.

In terms of potential scope, a list of programmes/projects were provided.

The Lillidorei project at Alnwick Garden had been announced as an 'early win' and was in the second phase. Discussion ensued and concerns were raised about the project. It was stated that it now had a full business plan and full business case which would be required to go through Green Book status.

Details of governance and a diagram showing the responsibilities of both Governments were set out.

In response to questions the following information was provided:

- District Councils in Cumbria would not be involved in the Borderlands partnership but were aware of proposals.
- The education aspect would fall under Business and Innovation Infrastructure. This would deal with ensuring workforces had appropriate skills. For example, the forestry industry needed skilled workers and there would be a dedicated centre built for that.
- The partnership had been funded as an economic growth deal so policy drivers must be aligned accordingly.
- Businesses would be more creative and productive and could possibly apply for top up grants for investment. It was very much about economic uplift being created from investment.
- There would be a great deal of interface between the Borderlands partnership and the North of Tyne Combined Authority. The Borderlands had capital schemes whereas the North of Tyne had revenue so would be complementary to each other.
- From Northumberland County Council's point of view it was a stronger proposition for two schemes to work in parallel, taking the opportunity for LEP funding.
- LEP had recognised that investment had been brought into the region so there was more willingness to fund regional issues.

AGREED that the presentation be received and noted.

6. NEXT MEETING

The Leader stated that if any urgent business arose a meeting would be called quickly, otherwise a meeting would be programmed for July.

AGREED that the Brexit and Devolution Working Group next meet in July, day and time to be confirmed.

**PETER JACKSON
CHAIR**