



North East Combined Authority, Overview and Scrutiny Committee

Tuesday 27 September 2016 at 2.00pm

Meeting to be held:

www.northeastca.gov.uk

SUPPLEMENTAL AGENDA

	Page No
4. Appointment of Chair and Vice Chair	1 - 4
5. Policy Review: Transport Related Barriers to Employment: evidence from Arriva	5 - 10
6. North East Local Enterprise Partnership update	11 - 18
8. North East Combined Authority - Devolution Update	19 - 22
9. Scrutiny Work Programme (updated)	23 - 24

Contact Officer: Brenda Joyce Tel: 0191 2116144 E-mail: Brenda.joyce@newcastle.gov.uk

To All Members

This page is intentionally left blank

North East Combined Authority

Overview and Scrutiny Committee

DATE: 27th September 2016

SUBJECT: Appointment of Chair and Vice-Chair

REPORT OF: Monitoring Officer

EXECUTIVE SUMMARY

The purpose of this report is to invite the Committee to appoint its Chair and Vice-Chair for the Municipal Year 2016/17.

RECOMMENDATIONS

It is recommended that the Committee appoints a Chair and Vice-Chair for the Municipal Year 2016/17.

North East Combined Authority

Overview and Scrutiny Committee

1. Background Information

- 1.1 The North East Combined Authority (NECA) is created pursuant to the Local Democracy, Economic Development and Construction Act 2009 (LDEDCA 2009) and by the Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014 ('the Order') which came into force on 15 April 2014.
- 1.2 The NECA is required to have an Overview and Scrutiny Committee and has appointed the Overview and Scrutiny Committee comprising of two Members from each of the Constituent Authorities with 14 Members of the Committee in total.
- 1.3 The Leadership Board appointed the membership of the Overview and Scrutiny Committee at its annual meeting on 21st June 2016. The Leadership Board also agreed for the Scrutiny Committee to have provision for Substitute Members, which is in line with the approach currently applied to other committees of the Authority
- 1.4 The Leadership Board has previously agreed that the appointment of Chair and Vice-Chair should be delegated to the Scrutiny Committee.

2. Proposal

- 2.1 The Scrutiny Committee is invited to appoint its Chair and Vice-Chair for the Municipal Year 2016/17.

3. Next Steps

- 3.1 Information on the appointment of the Committee's Chair and Vice-Chair will be made available to all interested parties and published on the North East Combined Authority's website.

4. Potential Impact on Objectives

- 4.1 This appointment will assist the Scrutiny Committee to discharge its functions.

5. Finance and other resources

- 5.1 There are no direct financial or resource implications for the NECA in relation to the appointment of the Chair and Vice-Chair of the Committee

6. Legal

North East Combined Authority

Overview and Scrutiny Committee

6.1 The appointment of Chair and Vice Chair of the Committee complies with the requirements under the Constitution of the NECA.

7. Other Considerations

7.1 Consultation / Community Engagement

The proposal set out in this report is the result of the decision of the Leadership Board which includes representatives of the seven constituent Councils.

7.2 Human Rights

There are no human rights implications identified at this stage.

7.3 Equalities and Diversity

There are no specific equality and diversity implications arising from this report.

7.4 Risk Management

There are no specific risk management implications arising from this report.

7.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

7.6 Environment and Sustainability

There are no specific environment and sustainability implications arising from this report.

8. Background Documents

- The Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Constitution;
- The report to the 21st June 2016 meeting of the North East Leadership Board titled "Appointment of Committees, Agreement of Membership and Appointment of Chairs and Vice-Chairs";
- Draft minutes of the 21st June 2016 meeting of the North East Leadership Board.

9. Links to Plans in the Policy Framework

9.1 This report has no direct links to plans in the Policy Framework.

North East Combined Authority

Overview and Scrutiny Committee

10. Appendices

There are no appendices to this report

11. Contact Officers

Vivienne Geary, Monitoring Officer.

E-mail address: Viv.Geary@northtyneside.gov.uk Tel: 0191 643 5339

Karen Brown, Scrutiny Officer karen.brown@sunderland.gov.uk

12. Sign Off

Monitoring Officer ✓

Head of Paid Service ✓

Chief Finance Officer ✓

North East Combined Authority

Overview and Scrutiny Committee

Date: 27th September 2016

Subject: Policy Review: Transport Related Barriers to Employment – Evidence from Arriva

Report of: Regional Head of Commercial

Executive Summary

The purpose of this report is to provide evidence from Arriva for the policy review on transport related barriers to education, employment and training. This review will contribute to the Transport Plan for the North East, which is due to be completed in 2016.

Recommendations

It is recommended that the Committee receives the evidence from Arriva as part of its programme of evidence gathering to contribute towards the policy review.

North East Combined Authority

Overview and Scrutiny Committee

1 Background Information

1.1 The Scrutiny Committee has agreed to pursue a policy review based on the following terms of reference :

- a) An assessment of current transport projects to help people get to interview, jobs, training etc.
- b) The potential impact of future spending cuts and how to maintain accessibility of public transport
- c) An assessment of the different problems across the NECA area (Durham, Newcastle, Gateshead, Sunderland, South Tyneside, Northumberland, North Tyneside) (e.g. the particular needs of rural areas).

1.2 Evidence has been gathered from a number of stakeholders. This report includes evidence from Arriva.

2. Arriva

2.1 Arriva is one of the largest providers of passenger transport in Europe, employing more than 60,000 people and delivering more than 2.2 billion passenger journeys across 14 European countries each year.

2.2 They operate a wide range of services including local buses, inter-urban commuter coaches, local, regional and national train services, light rail, demand response, and non-emergency patient transport.

2.3 Evidence submitted for the policy review is attached as Appendix 1.

3. Next Steps

3.1 This evidence is part of a wide ranging programme of evidence gathering being undertaken by the Overview and Scrutiny Committee. Other evidence gathering sessions will be programmed into scheduled Overview and Scrutiny meetings.

4. Potential Impact on Objectives

4.1 Reducing transport-related barriers to employment will assist in the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

5. Finance and Other Resources

5.1 There are no direct finance implications arising from this report.

6. Legal

North East Combined Authority

Overview and Scrutiny Committee

6.1 There are no direct legal implications arising from this report.

7. Other Considerations

7.1 Consultation/Community Engagement

Relevant stakeholders will be consulted as part of the evidence gathering for the review. A Call for Evidence has been issued and widely circulated. Initial feedback from the Call for Evidence is set out in a separate report.

7.2 Human Rights

There are no human rights implications identified at this stage.

7.3 Equalities and Diversity

There are no specific equality and diversity implications arising from this report.

7.4 Risk Management

There are no specific risk management implications arising from this report.

7.5 Crime and Disorder

There are no specific crime and disorder implications arising from this report.

7.6 Environment and Sustainability

There are no specific environment and sustainability implications arising from this report.

8. Background Documents

8.1 None

9. Links to the Local Transport Plans

9.1 This review will contribute to the Transport Plan for the North East Combined Authority.

10. Appendices

10.1 Appendix 1 – Evidence from Arriva

11. Contact Officers

11.1 Karen Brown, Scrutiny Officer karen.brown@sunderland.gov.uk

North East Combined Authority

Overview and Scrutiny Committee

12. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

Policy Review – Transport Barriers Evidence from Arriva

1. Arriva operates a network of services across much of the combined authority area, with the exception of South Tyneside and with limited services in Sunderland.
2. Arriva works closely with local authorities and other bodies to identify areas of travel need. These include travel to employment sites. A number of services have been developed to specifically serve centres of employment. Examples of these are the development of services to Quorum and Cobalt business parks. Arriva works closely with the management at business parks to ensure that workers on those sites travel needs are catered for as closely as possible.
3. New links to Cobalt have commenced as recently as 5th September 2016. A new public transport link to Spectrum Business Park in Seaham will be commencing on 30th October 2016, following the announcement of a large employer recruiting call centre staff there progressively in the coming months. Arriva is working closely with ResQ and is putting in place transport links with connections to much of County Durham and Sunderland at an early stage to enable the employer to recruit across a wide area.
4. A range of ticket types are available for regular commuters. These vary from daily to annual tickets with direct debit payment options. These ticket types are being progressively offered in smart format, which also enables more flexible ticket options such as ticket carnets, which provide more flexible and convenient travel payment arrangements for part time workers. Arriva also offers employers facilities to purchase bus tickets on behalf of their employees through flexible Business to Business schemes.
5. Arriva is conscious of value for money for commuters and has introduced a variety of fare reduction schemes in recent years. These are designed to stimulate bus travel demand in local areas and clearly offer reduced travel costs for regular commuters accessing employment. Examples of this can be seen in County Durham, where fares between Esh Winning/Crook and Durham and between Newton Aycliffe and Darlington have been reduced. Multi-journey commuter ticket prices have significantly reduced in these areas, making travel to employment in the key centres a more realistic

North East Combined Authority

Overview and Scrutiny Committee

prospect. Similar price reductions have taken place in East Durham and in selected areas of Northumberland.

6. Arriva is working with other bus transport providers in the region to offer multi-operator ticket ranges. These have existed in multi-modal form in Tyne & Wear and a range of better value bus only products is being developed. This principle can be rolled out across the Combined Authority area and discussions are being held regarding a County Durham scheme.
7. Rural areas are particularly difficult to serve effectively and efficiently, particularly in light of reducing local authority budgets for public transport support. Recently Arriva has recently worked successfully with Northumberland County Council to reduce funding on its supported bus service budget, at the same time retaining services very close to previous levels. Arriva has also introduced additional service links at its own commercial risk, such as between Ashington, Widdrington, Amble and Alnwick and between Tow Law and Durham. Both of these recent examples offer frequent new links to employment opportunities. A further example is the recent additional of a service on Sundays linking Ellington and Lynemouth to Ashington and Blyth on Sundays. This service is to be extended to Widdrington in the near future. Sundays is becoming a day of increasing activity, with many workers needing to be mobile to access employment.

Paul De Santis, Head of Commercial, Arriva

North East Combined Authority Overview and Scrutiny Committee

Date: 27 September 2016

Subject: North East Local Enterprise Partnership Update

Report of: Chief Operating Officer, North East Local Enterprise Partnership

Executive Summary

The purpose of this report is to appraise the Committee on the role, operations and progress of the North East LEP.

Recommendation

The Committee is asked to note the scope of the North East Local Enterprise Partnership's remit and the key achievements and progress.

North East Combined Authority

Overview and Scrutiny Committee

1 Background Information

- 1.1 This report appraises the Committee on the role, operations and progress of the North East LEP.

2 The Role of the North East LEP

- 2.1 The North East LEP was established in 2011 following an invitation from Government to set up voluntary partnerships to help determine the local economic priorities and lead economic growth and job creation in the North East. The North East LEP covers the 7 local authority areas of Durham, Gateshead, Newcastle, North Tyneside, Northumberland and South Tyneside. It is a business-led partnership between public, private and education leaders.
- 2.2 The North East LEP leads on the development and driving the delivery of the Strategic Economic Plan, which is a comprehensive document detailing how our local economic ambition can, and will, grow in the coming years.

3.0 The North East Strategic Economic Plan

- 3.1 The North East Strategic Economic Plan (SEP) is the region's road map to economic success. It is the medium-term economic plan for the North East, and is a document intended for all local partners, businesses and people. It details how we will work together with partners, businesses and communities in an innovative, pro-active and cohesive way, to allow the ambitions and potential of the North East's economy to be delivered.
- 3.2 The plan builds on the North East Independent Economic Review led by Lord Adonis in 2013 and sets out clearly how the North East LEP and the North East Combined Authority support economic growth. The SEP focuses on the sectors and areas that make our regional economy tick.

It is divided into 6 themes:

- Business Support and Access to Finance
- Innovation
- Skills
- Employability and Inclusion
- Economic Assets and Infrastructure
- Transport and Digital Connectivity

Currently the North East LEP leads on the first three themes and the North East Combined Authority (NECA) on the latter three themes.

- 3.3 Like all plans setting out a course of action to reach milestones further down the road, it needs updating to reflect changing times. The original SEP was

North East Combined Authority

Overview and Scrutiny Committee

unveiled back in March 2014, born out of the evidence base of the Adonis Review, but the data that underpinned that is now about 4 years old and based on a period when we were emerging from recession rather than where we are at now. Also, a series of new policy documents will impact our future economic planning and decision-making, for example, a place based industrial strategy, a national infrastructure commission and an emerging devolution deal.

- 3.4 In the light of the changing economy and policy landscape, the North East LEP Board has agreed with the North East Combined Authority that now is the right time to look again at parts of the SEP, taking into account new evidence of the region's economic position and evolving public policy environment. The SEP 'refresh' is not a rewrite, but a look again at how the North East reaches the ambitious target of creating an extra 100,000 'more and better jobs' by 2024.

Two important pieces of work have been produced to support this 'refresh'.

One is an Economic Analysis paper, which has been independently verified and looks at where we are now, compared to the evidence used in the SEP in 2014. The second is a Progress Review of SEP delivery to date to show what has been done set against the SEP's original plans. Both documents can be found on the North East LEP website www.nelep.co.uk at <http://nelep.co.uk/a-refreshed-sep/>.

4.0 North East LEP Business Plan 2016 – 2017 and Operations

4.1 The Business Plan

The North East LEP Business Plan can be found at <http://nelep.co.uk/wp-content/uploads/2014/10/NEL020-Business-Plan-WEB.pdf>

The plan shows the operational focus for 2016/17. It is divided into 3 cross cutting sections:

- Policy and Strategy
- Ecosystem development
- Invest for growth

The 6 key areas of LEP activity are included into these 3 sections, namely – Strategy and Policy, Innovation, Business Growth, Skills, Enterprise Zones and Funding.

4.2 The Team

North East Combined Authority

Overview and Scrutiny Committee

The original North East LEP team of 6 staff in 2012 has expanded to 20 core posts plus 4 project delivery posts, which is primarily to oversee delivery of the SEP. This reflects the changing scope of the 39 LEP's nationally from their original scope to set the strategic economic direction for their area and now responsible for providing the leadership to facilitate and drive the SEP's delivery. A key component of this is to secure funding for the North East, and manage funding delivery.

4.3 The Accountable Body

NECA is the Accountable Body for the North East LEP in relation to Government funding. It is therefore essential that the North East LEP and NECA teams work closely together. In particular, it is important to note that the three statutory officers work alongside the North East LEP as they carry out their Accountable Body responsibilities for NECA. NECA's section 73 officer (providing the Chief Finance Officer function), Monitoring Officer (providing the Chief Legal Officer function) and the Head of Paid Service provide oversight on behalf of NECA in relation to the fund management operations.

4.4 Governance

The current North East LEP governance structure is set out in appendix 1.

The North East LEP Board is the only decision making board. It comprises of eighteen members:

- 9 Private Sector members (Including the Private Sector Chair)
- 7 Public Sector members (The 6 Leaders and Elected Mayor)
- 1 Further Education representative
- 1 Higher Education representative

Feeding into the LEP Board are 3 Advisory Boards representing the 3 LEP-led themes of the SEP:

- Innovation Advisory Board
- Business Growth Advisory Board
- Employment and Skills Advisory Board

Each is made up of partners bringing a particular specialism to the group.

Full membership is set out on the North East LEP website.

<http://nelep.co.uk/whoweare/>

In addition, there are 2 advisory groups overseeing fund management:

- Investment Panel – overseeing the North East Investment Fund and Enterprise Zone Income

North East Combined Authority

Overview and Scrutiny Committee

- Technical Steering Group – overseeing the North East Local Growth Funding

Both of these groups make funding recommendations to the North East LEP Board.

5 Next Steps

- 5.1 The report provides information on the extent of the NELEP's remit and the recent key achievements and progress.

6 Potential Impact on Objectives

- 6.1 There is no direct impact on objectives.

7 Finance and Other Resources

- 7.1 There are no direct financial implications arising from the report.

8 Legal

- 8.1 There are no direct legal implications arising from the report.

9 Other Considerations

9.1 Consultation/Community Engagement

No external consultation or community engagement required.

9.2 Human Rights

There are no implications under the Human Rights Act 1998 (or as amended).

9.3 Equalities and Diversity

There are no equalities and diversity implications directly arising from this report.

9.4 Risk Management

There are no risk management implications directly arising from this report.

9.5 Crime and Disorder

There are no crime and disorder implications directly arising from this report.

9.6 Environment and Sustainability

North East Combined Authority

Overview and Scrutiny Committee

There are no environment and sustainability implications directly arising from this report.

10 Background Documents

10.1 None.

11 Links to the Local Transport Plans

11.1 There is no direct link to the Local Transport Plans.

12 Appendices

12.1 Appendix 1 – Current North East LEP & North East Combined Authority Governance

13 Contact Officers

13.1 Helen Golightly, Chief Operating Officer, North East LEP. E-mail helen.golightly@northeastlep.co.uk Tel: 0191 338 7435

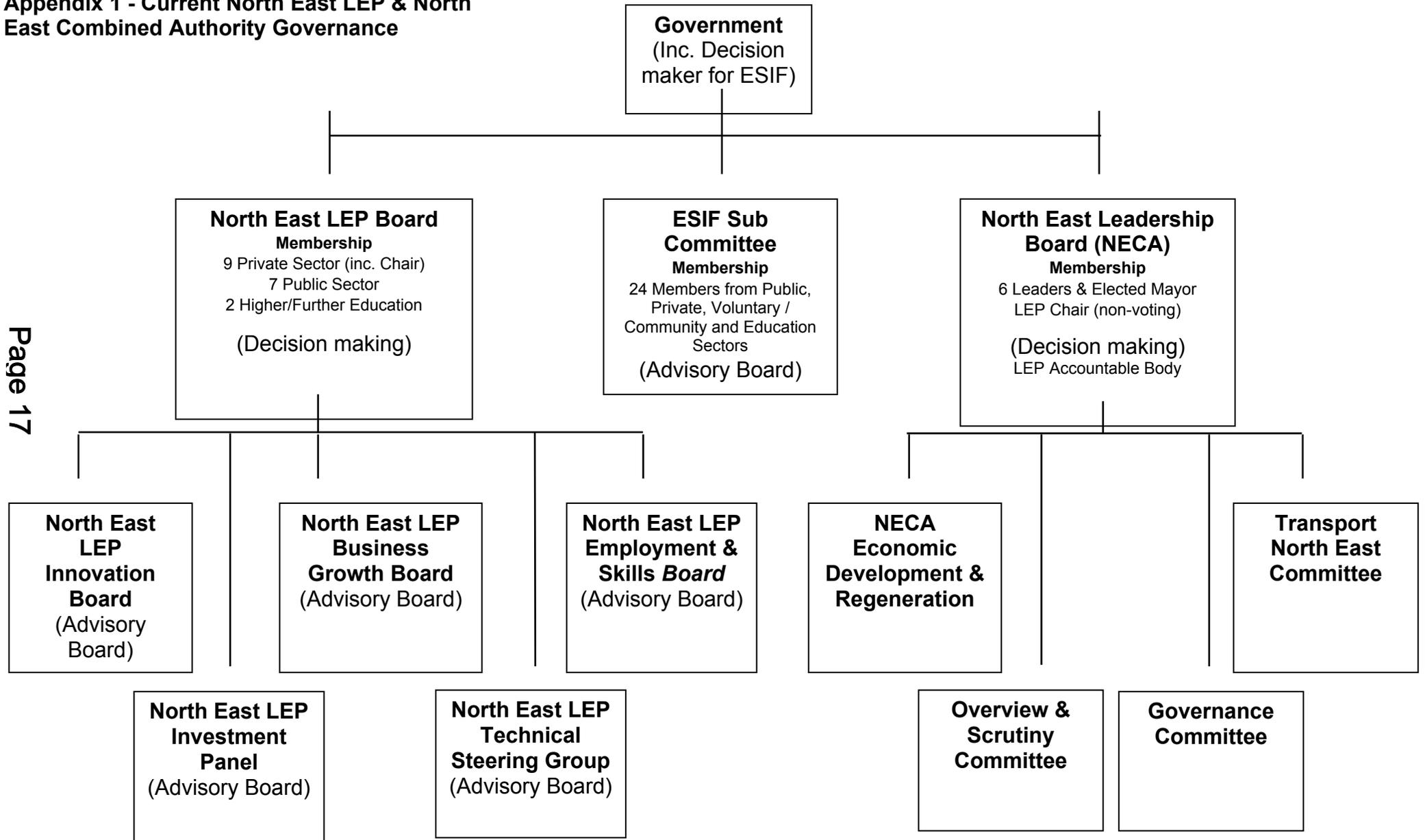
14 Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

North East Combined Authority

Overview and Scrutiny Committee

Appendix 1 - Current North East LEP & North East Combined Authority Governance



This page is intentionally left blank

North East Combined Authority

Overview and Scrutiny Committee

Date: 27th September 2016
Subject: North East Combined Authority – Devolution Update
Report of: Interim Head of Paid Service

Executive Summary

The purpose of this report is to provide the Scrutiny Committee with the current position in relation to the devolution agreement.

Recommendations

It is recommended that the Scrutiny Committee discusses the update on the devolution agreement for NECA.

North East Combined Authority

Overview and Scrutiny Committee

1. Background Information

- 1.1 On 23rd October 2015 the NECA Leadership Board signed a proposed Devolution Agreement with the Chancellor of the Exchequer and Commercial Secretary setting out the proposed transfer of significant powers for employment and skills, transport, housing, planning, business support and investment from Central Government to NECA. The proposed Agreement also paves the way for further devolution in the future and for the reform of public services including health and social care.
- 1.2 Since the proposed Agreement was signed in 2015 there have been continuing discussions with Government on detailed implementation of a devolution deal.
- 1.3 This report provides the current position and the attached appendices include information on the assurances received from Government (see Appendix 1 Leadership Board report 6th September for further detail).

2. Next Steps

- 2.1 On 17th May the North East Combined Authority (NECA) Leadership Board endorsed the proposed Devolution Agreement and agreed to the establishment of the North East Combined Authority as a Mayoral Combined Authority.
- 2.2 On the 4th July the Leadership Board received a report summarising the review undertaken into the functions exercised by NECA and its governance arrangements and how additional powers and functions given to NECA would be likely to improve the exercise of statutory functions in the NECA area.
- 2.3 At the Leadership Board meeting on the 4th July it was agreed that NECA would write to Government and request assurances that the terms of the Devolution Agreement of October 2015 would be fully committed to; and that upon the receipt and consideration of those assurances the Leadership Board would further consider approving the scheme prior to agreeing its publication. A letter was sent to Government on the 7th July and a response was received on the 13th July.
- 2.4 On the 19th July the Leadership Board received a report setting out the feedback that had been received, by that point in time, from the Rt Hon Greg Clark MP, Secretary of State confirming the Government's commitment to the North East Devolution Agreement. In regards to the potential impact on EU funds, the letter received on the 13th July recognised the concerns of the North East and stated that work was ongoing to ensure that the implication for local economies and the role of EU funds is fully considered and that an update on future funding would be provided in due course. Recognising the heightened importance of devolved funding and powers to the north East as a

North East Combined Authority

Overview and Scrutiny Committee

result of the EU referendum the Leadership Board decided to seek further assurances from Government.

2.5 On the 6th September after reviewing the additional assurances received from Government (see appendix 1), the Leadership Board decided not to publish and consult on the Governance Review and Scheme at this stage. The Leadership Board reiterated their support for the principle of devolution however were not able to reach a majority decision to proceed with the deal and launch the consultation. Subsequently, on the 8th September the Government announced that the deal had been withdrawn and the implementation work being conducted by central government had come to an end.

2.6 Although current devolution talks have been brought to an end, NECA's work in a number of areas will continue, including the work of the Health and Social Care Commission and projects relating to transport, employability and inclusion and economic development and regeneration.

3. Potential Impact on Objectives

3.1 The proposed agreement provided for the transfer of significant powers for employment and skills, transport, housing, planning, business support and investment from central government to the North East in order to deliver the funding and responsibilities that are required to accelerate the area's economic growth. These powers will now not be transferred to NECA.

4. Finance and Other Resources

4.1 The Devolution Agreement set out the transfer of additional resources from 2016/17 onwards to the NECA area. These resources will now not be transferred to NECA.

5. Legal

There are no specific issues arising directly from this report.

6. Other Considerations

6.1 Consultation/Community Engagement

There are no specific issues arising directly from this report.

6.2 Human Rights

There are no specific issues arising directly from this report.

6.3 Equalities and Diversity

There are no specific issues arising directly from this report.

North East Combined Authority

Overview and Scrutiny Committee

6.4 Risk Management

The risks associated with devolved powers and funding streams will be assessed and reported to the Leadership Board as necessary.

6.5 Crime and Disorder

There are no specific issues arising directly from this report.

6.6 Environment and Sustainability

There are no specific issues arising directly from this report.

7. Background Documents

- (i) North East Combined Authority – The Devolution Agreement 17th May 2016
- (ii) The Governance Review and Scheme for the proposed Mayoral Combined Authority 21st June 2016

8. Links to plans and policy framework

- 8.1 This report will support delivery of each of the Combined Authority themes and “More and Better Jobs”, A Strategic Economic Plan for the North East.

9. Contact Officers

Karen Brown, Scrutiny Officer – karen.brown@sunderland.gov.uk

10. Sign off

- Head of Paid Service ✓
- Monitoring Officer ✓
- Chief Finance Officer ✓

11. List of Appendices

Report to the Leadership Board – 6th September 2016

Work Programme 2016/17

Date	Items	Lead Officer	Informal Briefings / Development Days
7 th July (Durham)	Appointment of Chair & Vice-Chair	Viv Geary	
	The Devolution Agreement , Governance Review & Scheme for the proposed Mayoral Authority	Adam Wilkinson	
	Forward Plan & Work Programme	Karen Brown	
27 th September (Sunderland)	Appointment of Chair & Vice-Chair	Viv Geary	
	NELEP Strategic Economic Plan (SEP) Progress Review 2014-16	Helen Golightly	
	Policy Review on Transport Barriers – evidence from Arriva	Paul de Santis	
	Draft Budget 2017/18 & Transport Levies	Paul Woods	
	Devolution Update	Viv Geary	
	Forward Plan & Work Programme	Karen Brown	
1 st November (North Tyneside)	Nexus Performance & Metro Performance	Tobyn Hughes	
	Transport Manifesto Feedback & progress on Transport Plan	Ian Coe	
	Growth Fund Update	Helen Golightly Paul Woods	
	Financial Monitoring Update – Outturn 2015/16	Paul Woods	
	Forward Plan & Work Programme	KB	
14 th December (Gateshead)	Draft Budget 2017/18	Paul Woods	
	Transport Thematic Lead Update	Councillor Nick Forbes, Lead Member	
	Forward Plan & Work Programme	KB	
14 th February (Newcastle)	Economic Development & Regeneration Thematic Lead Update	Councillor Iain Malcolm, Lead Member	
	Forward Plan & Work Programme	KB	
28 th March (Sunderland)	Employability and Skills Thematic Lead Update	Cllr Grant Davey, Lead Member	
	Network Rail		
	Forward Plan & Work Programme	KB	
In addition to the schedule items, the following items will be included in the work programme			
	Impact of EU Referendum		

This page is intentionally left blank