

NORTH EAST COMBINED AUTHORITY

Delegated Decision Report



DATE: 3 August 2018

SUBJECT: Exercise of delegated authority to approve and publish the amended NECA Constitution

REPORT OF: Monitoring Officer

EXECUTIVE SUMMARY

The purpose of this report is to invite the Monitoring Officer to exercise the delegation given to him to approve and publish the amended North East Combined Authority (NECA) Constitution (in the form annexed to this report) reflecting the changes agreed by the Leadership Board on 19 June 2018, considered by the Audit and Standards Committee (formerly the Governance Committee) at its meeting on 2 April 2018 and determined by the Monitoring Officer.

RECOMMENDATIONS

The Monitoring Officer is recommended to approve the attached document as the new version of the Constitution (version 6) with immediate effect and authorise its publication.

1. Background

- 1.1 The North East Combined Authority (**NECA**) was 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 Order 2014 (the **2014 Order**) which came into force on 15 April 2014.
- 1.2 In accordance with the NECA Constitution, the Monitoring Officer is required to keep the Constitution constantly under review with a formal review on an annual basis.
- 1.3 This report follows the expressed delegation that was given to the Monitoring Officer to finalise the wording of amendments to the NECA Constitution to give effect to the changes agreed by the Leadership Board on 19 June 2018 and to approve and publish the Constitution containing those changes. The Monitoring Officer also holds constitutional delegations to make minor, textual or grammatical changes or corrections to the Constitution (MO5 and MO6 in the Scheme of Delegations of Functions to Chief Officers (Part 3.7 of the Constitution)).

2. Proposals

- 2.1 The proposal is that the Monitoring Officer exercise the delegations including those given at the Leadership Board on 19 June 2018, being satisfied that constitutional changes as agreed are reflected in the amended NECA Constitution.

3. Reasons for the Proposals

- 3.1 In accordance with the NECA Constitution, the Monitoring Officer carried out an annual review of the Constitution, having regard to changes proposed by the Governance Committee, Overview and Scrutiny Committee and Leading Counsel's advice. The Leadership Board accepted each recommendation and authorised the Monitoring Officer to amend the Constitution to give effect to the Leadership Board decision to
- Approve the following changes to the NECA Constitution (as detailed in the report), which have each been considered by the Governance Committee at its meeting on 3 April 2018 and are endorsed for Leadership approval:
 - The change of name of the Governance Committee to the Audit and Standards Committee as discussed in 2.3 of the report;
 - Confirm the role of the Governance Committee to grant dispensations as discussed in 2.4 of the report;

- To clarify that the independent Chair and Vice-Chair of the Governance Committee may be appointed to any sub-committee on the same basis as the independent person as discussed in 2.5 of the report;
 - To amend the short notice procedure rules in Part 4.1 (paras 32 and 33) as set out in 2.7 to 2.10 of the report;
 - To amend Section 3.1 of the Constitution to reflect the unanimity requirements set out in the Order creating NECA;
 - To amend Section 3.1 to remove the introductory words and therefore to clarify and confirm the delegation given to Chief Officers as discussed in 2.14 and 2.15 of the report.
- Delegate authority to the Monitoring Officer to:
 - finalise the wording of amendments to the Constitution to give effect to the changes agreed by the Leadership Board; and
 - approve and publish the Constitution containing those changes.

4. Alternative Options Available

4.1 Not to exercise the delegation.

5. Next Steps and Timetable for Implementation

5.1 The decision will be made on 3 August 2018 (it having been on the Forward Plan for 28 clear days). The decision will be implemented as soon as the call-in period expires and published on the NECA website.

6. Potential Impact on Objectives

6.1 Maintaining good governance and effective decision making ultimately supports the achievement of objectives.

7. Financial and Other Resources Implications

7.1 Updates to the Constitution without material additional costs.

8. Legal Implications

8.1 A Constitution provides the governance framework for NECA and its operations.

9. Key Risks

9.1 Unclear governance and therefore the validity of decisions and compliance with legal principles could be questioned.

10. Equality and Diversity

10.1 None

11. Crime and Disorder

11.1 None

12. Consultation/ Engagement

12.1 Chief Legal Officers of the constituent authorities, the NECA Policy and Scrutiny Officer and the NECA Statutory Officers have all been consulted. The Committees (or their Chairs) have been consulted in relation to matters affecting their committee. Members of the Leadership Board were consulted on the recommendations and proposed changes to the Constitution at the NECA Annual Leadership Board meeting held on 19 June 2018. They had previously been considered by the Audit and Standards Committee.

13. Other Impacts of the Proposals

13.1 On 24 July 2018 a New Order was laid before both Houses of Parliament which would have effect, if made, of amending the NECA boundary and creating a new Mayoral Combined Authority. The NECA Constitution will have to be read in line with any New Order reducing the NECA boundary. It is, however, anticipated that the NECA Leadership Board will wish to adopt a further version of the Constitution at its first meeting after the New Order is made.

14. Appendices

14.1 Version 6 NECA Constitution

15. Background Papers

15.1 Leadership Board paper 19 June 2018 and Governance Committee paper 3 April 2018.

16. Contact Officer(s)

16.1 Name: Peter Judge

Title: Monitoring Officer

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17. Sign Off

- 17.1
- Head of Paid Service: ✓
 - Monitoring Officer: ✓

- Chief Finance Officer: ✓

18. Glossary

18.1 **LDEDCA 2009** – Local Democracy, Economic Development and Construction Act 2009

NECA – North East Combined Authority

2014 Order – Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Order 2014

2017 Order – Combined Authorities (Overview and Scrutiny Committees) Access to Information and Audit Committees) Order 2017