

North East Combined Authority

North East Leadership Board

14 July 2015

Meeting held: Northumberland County Council, County Hall, Morpeth, NE61 2EF

Present:

Councillor Henig (Chair)

Councillors Davey, Forbes, Henry, Malcolm and Watson, Mayor Redfearn and Ms Hall

1 APOLOGIES FOR ABSENCE

An apology for absence was received from Mr Woolston.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 16 June 2015 were approved as a correct record and signed by the Chair.

In relation to Minute 102 – Announcements from the Chair and/or the Head of Paid Service – (a) Developing a Devolution Prospectus for the North East Combined Authority – update on stakeholder engagement, the Chair provided an update on the recent meeting with the Secretary of State where a package of preparatory measures for the devolution deal for the North East had been agreed. The Chair spoke about the importance of securing public engagement and confidence, and confirmed that the North East Combined Authority (NECA) was committed to working on devolution. The Chair was confident that the NECA would be able to engage positively on this with the government. The NECA would continue to provide updates on this matter.

4 UPDATES FROM THEMATIC LEADS

(a) Economic Development and Regeneration Theme Update

Submitted: An update report of the Thematic Lead for Economic Development and Regeneration (previously circulated and copy attached to Official Minutes).

Members considered the update report. Members also noted a verbal update from the Thematic Lead on the first meeting on the Economic Development and Regeneration Advisory Board which had taken place earlier this month. The ensuing discussion included the role and membership of the Advisory Board.

RESOLVED – That the report be noted.

(b) Employability and Inclusion

Submitted: An update report of the Thematic Lead for Employability and Inclusion (previously circulated and copy attached to Official Minutes).

Members considered the update report. The ensuing discussion included the figures for sustained young people employment, the importance of career advisors in schools, the recent announcement by the government on the Department for Work and Pension Advisors and whether there could be any implications as a result of the announcement for the work that the Combined Authority was already doing, the importance of focusing on the creation and provision of jobs and meaningful career paths for young people, the importance of purposeful and effective training schemes and the importance of a joint effort by schools, businesses, young people and parents in supporting young people into employment.

RESOLVED – That the report be noted.

(c) Transport

Submitted: An update report of the Thematic Lead for Transport (previously circulated and copy attached to Official Minutes).

Members considered the update report. Members also noted the verbal update from the Thematic Lead on the latest announcements by the government in relation to Transport for the North, Air Passenger Duty, Northern and TransPennine Express rail franchises and roads. Members also noted a brief verbal update on the progress of the Quality Contract Scheme.

The ensuing discussion included the North East Business Unit, the development of an integrated vision for transport for the Combined Authority area and also the significance of the TransPennine electrification within the context of discussions on the Northern Powerhouse.

RESOLVED – That the report be noted.

5 OFFICE FOR LOW EMISSION VEHICLES GO ULTRA LOW CITY SCHEME FUNDING OPPORTUNITY

Submitted: A report of the Chief Executive Officer for Transport (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on progress with the proposed bid for funding from the Go Ultra Low City Scheme and associated schemes and sought delegated authority for the submission of the final bid, the deadline for which had now been extended to 2 October 2015.

RESOLVED – That delegated authority be given to the Head of Paid Service, following consultation with the Chair, Thematic Lead for Transport, Monitoring

Officer, Chief Finance Officer, Elected Mayor and Leaders of the constituent local authorities, to finalise the bid and then submit it on behalf of the NECA prior to the bid deadline.

6 **LOCAL SUSTAINABLE TRANSPORT FUND (LSTF) CAPITAL PACKAGE AND DELEGATED SCHEME APPROVAL**

Submitted: A report of the Chief Executive Officer for Transport (previously circulated and copy attached to Official Minutes).

Members considered the report which sought approval, in principle, for the expenditure on the whole Local Sustainable Transport Fund (LSTF) Capital Package, subject to receipt and approval of compliant business cases for individual schemes. The report also sought approval for the delegated authority to be given to the Head of Paid Service to approve individual schemes and to the Monitoring Officer to enter into grant funding agreements with scheme promoters.

Members also noted information from the Chief Finance Officer on the lack of certainty in relation to the confirmation of funding for 2016/17 from the government, which was still subject to the Spending Review.

A general comment was made about the importance of realistic timescales in relation to requests for approvals of projects and expenditure in order to ensure rigorous scrutiny of the proposals. A recommendation was made that the Leadership Board should avoid approving projects that had not been subject of rigorous scrutiny by the Leadership Board over a reasonable amount of time.

RESOLVED – That:

- I. The Local Growth Fund expenditure on the LSTF Capital Package of schemes be approved in principle on the basis of the overarching Package business case in the Strategic Economic Plan submission; and
- II. Delegated authority be given to the Head of Paid Service of NECA to approve individual scheme business cases on the recommendation of the Regional Transport Team, and in such cases the Monitoring Officer of NECA be authorised to enter into Grant Funding Agreements with scheme promoters.

7 **COAST ROAD A1058 - SCHEME APPROVAL**

Submitted: A report of the Chief Executive Officer for Transport (previously circulated and copy attached to Official Minutes).

Members considered the report which sought approval in principle for a revised capital programme provision for the A1058 Coast Road major transport scheme subject to the agreement by the North East Local Enterprise Partnership (NELEP) Board to the increase in the Local Growth Fund (LGF) contribution to the scheme.

During the consideration of the report, Members discussed the time critical nature of the required agreement and the implications for the constituent local authorities

should the consideration of the item be deferred. It was also noted that the costs of other major transport schemes would be met by the overall LGF programme.

The meeting was adjourned at 2.45pm

The meeting resumed at 3.10pm

RESOLVED – That:

- I. A revised capital programme provision of £6.523M (previously £5.840M) be approved in principle for the Coast Road scheme, subject to the agreement of the NELEP Board to ensure that the scheme moved to construction with adequate contingency funding; and
- II. The Monitoring Officer be authorised to enter into relevant Funding Agreements in accordance with the decision I. above, subject to the cost increase being met as part of the overall LGF programme management.

8 **FINANCIAL MONITORING UPDATE - OUTTURN 2014/15**

Submitted: A report of the Chief Executive Officer for Transport (previously circulated and copy attached to Official Minutes).

Members considered the report which provided information about the 2014/15 financial outturn, provided a summary of the financial monitoring information for 2015/16 and provided an update on the budget process for 2016/17.

As an update, it was noted that the draft annual accounts had been reviewed by the Governance Committee on 10 July 2015 and no significant points had been raised.

Members also noted the current position in relation to the ongoing discussions with the government to secure confirmation of funding for projects for 2016/17, which remained unconfirmed. Members would be kept informed about any further developments.

It was also noted that work was in progress to maximise performance in this financial year and to ensure there were no claw-backs on any underspend.

During the ensuing discussion, a Member commented on the importance of ensuring that outstanding questions in relation to budget and transport levies had been answered prior to the approval of the 2016/17 budget and transport levies.

The discussion also included the approach that had been taken by the Combined Authority to over-programming, the barriers to over-programming due to the lack of certainty of funding and the opportunities for future discussions on the over-programming options.

RESOLVED – That:

- I. the summary of the 2014/15 outturn position set out in this report be noted;

- II. the Leadership Board noted that the Governance Committee had reviewed the draft accounts 2015/16 and had not identified any significant issues;
- III. the information provided about the revenue budget monitor for 2015/16 be noted;
- IV. the update information about the capital programme for 2015/16 and the issues identified be noted; and
- V. the Budget for 2016/17 be prepared in line with the timetable for approval at the Leadership Board's meeting on 19 January 2016.

9 **DATE AND TIME OF NEXT MEETING**

Tuesday, 15 September 2015 at 2pm at Newcastle Civic Centre.