

Leadership Board

Tuesday 15 December 2020 at 2.00pm

Meeting to be held virtually via Microsoft Teams

www.northeastca.gov.uk

AGENDA

Page No

1. **Apologies for Absence (Members)**
2. **Declarations of Interest**
Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.
3. **Minutes of the Previous Meeting held on 3 November 2020** 1-5

For approval as a correct record
4. **Announcements from the Chair**
5. **Chair's Thematic Portfolio Update (Report to Follow)** 6
6. **Economic Development and Digital Thematic Portfolio Update (Report to Follow)** 7
7. **Finance, Skills and Employability Thematic Portfolio Update (Report to Follow)** 8
8. **Membership of the Leadership Board, Appointment of Chair and Vice-Chair and Designation of Thematic Leads (Report to Follow)** 9

9. Designation of Statutory Officers (Report to Follow)

10

10. Date and Time of Next Meeting: 2 February 2020 at
2.00pm

Contact Officer: Jonathan Lunness Tel: 0191 4247536
Email: jonathan.lunness@northeastca.gov.uk

North East Combined Authority, Leadership Board

Agenda Item 3

03 November 2020

(2.00pm - 2.30pm)

Meeting held virtually via Microsoft Teams

Present:

Councillors: I Malcolm (Chair), G Miller, M Gannon, S Henig

Officers: Nicola Robason (Deputy Monitoring Officer, NECA), Lucy Winskell (Chair, NELEP) John Hewitt (Chief Finance Officer, NECA), George Mansbridge (Corporate Director Regeneration and Environment, South Tyneside), Sheena Ramsey (Chief Executive, Gateshead Council), Patrick Melia (Chief Executive, Sunderland Council), Cameron Waddell (Mazars), Gavin Armstrong (Policy and Scrutiny Officer, NECA), Jonathan Lunness (Strategy and Democratic Services Assistant, NECA)

1. APOLOGIES FOR ABSENCE (MEMBERS)

Apologies for absence were received from Gillian Hall and Terry Collins.

2. DECLARATIONS OF INTEREST

None.

3. MINUTES OF THE MEETING HELD ON 14 SEPTEMBER 2020

The minutes of the previous meeting held on 14 September 2020 were approved as a correct record.

4. ANNOUNCEMENTS FROM THE CHAIR

The Chair noted that since the previous meeting, Cllr Glen Sanderson has been nominated as Leader of Northumberland County Council and that on behalf of North East Combined Authority (NECA) the Chair has written wishing him well in his new role.

The Chair invited Patrick Melia to provide an update on the forthcoming national lockdown due to commence on 5 November 2020. The Board noted that local authorities are still awaiting the full regulations from Government, although preparation on closures of leisure centres and libraries has begun. Public services

such as refuse collection, public health and environmental health would continue to operate. Local authorities are working on re-establishing the community hubs to ensure support is there for the vulnerable and those on the shielding list in regards food and prescriptions. It was raised that local authorities are still waiting for the grants for local businesses, as well as the eligibility criteria, although local authorities have been informed they will have some discretion over the distribution of the grants. It was noted that in order for the NECA area to come out of the national lockdown on as low a tier as possible, it is important that all the tools are given to local authorities, including a localised, regionally coordinated test, trace and isolate programme. The need to prepare for a rapid implementation of a local vaccine programme once a vaccine has been developed was also raised.

The Chair thanked P Melia for the update.

5. CHAIR'S THEMATIC PORTFOLIO UPDATE

Submitted: Report of the Chair of the North East Combined Authority (previously circulated and copy attached to the official minutes).

The Chair updated the Board on his portfolio which ensures the Combined Authority is well positioned inter-regionally, nationally and internationally to influence policy and create jobs in the area.

It was highlighted that since the Climate Change Emergency which was unanimously declared by the NECA Leadership Board at the meeting held 5 November 2019, meetings between Senior Officers of the four constituent authorities have taken place to progress the actions. However, the Board was informed that although work has been slowed due to Covid-19, all constituent authorities are finalising strategies and action plans to support the ambitious carbon reduction targets. It was noted that due to Covid-19 the annual report due to the Leadership Board be postponed until 2021.

The Chair discussed the local elections scheduled to take place in 2021 and raised that in order to reduce any risk posed by Covid-19 and to stop any potential disenfranchisement, postal voting be encouraged to residents in the NECA area for these elections. It was proposed that a regional approach would be best and that discussions should begin on the issue.

RESOLVED That:

- i. the report be noted.

6. ECONOMIC DEVELOPMENT AND DIGITAL THEMATIC UPDATE

Submitted: Report of Economic Development and Digital Thematic Lead (previously circulated and copy attached to the official minutes).

Cllr G Miller presented the report which provided an update to the Board on the Economic Development and Digital Theme of NECA. It was noted that in the financial year 2019/20, in the NECA area there were 32 FDI projects resulting in 1140 new jobs and 7 UK inward investment projects resulting in 307 new jobs. It was also noted that provisional numbers in Q1 and Q2 show 13 FDI projects with

1110 new jobs and 2 UK inward investment projects with 27 new jobs. Members noted that a timely and welcome success was the creation of 1000 jobs at the Amazon distribution centre in County Durham.

The Board noted updates on the activities of Invest North East England (INEE), including the virtual events held or sponsored in 2020/21. Three new High Potential Opportunities were highlighted to the Board, namely Heat Networks, Plant-based Products and Healthy Ageing. It was noted that there was a very positive 6-month review held in September 2020 between INEE and DIT regarding the Key Account Management Contract.

Members of the Board were updated on the state of negotiations between the UK and the EU, with further updates to be provided as outcomes and implications become known.

It was noted that a Covid-19 Economic Response Group was established in the North East comprising the North East Local Enterprise Partnership (NELEP), NECA, North of Tyne Combined Authority (NoTCA) and business and higher education representatives. Members were informed of the ambitious North East Recovery and Renewal Deal which asks Government for £2.8 billion investment and focuses on 5 key themes.

Members were updated on digital connectivity and infrastructure in the NECA region and it was noted that funding was provided as part of the Government's Getting Building Fund for Sunderland to accelerate the roll-out of its 5G infrastructure plan. Members noted that Sunderland was named Smart City of the Year in the UK Digital Leaders 100 Awards and the Board noted that as significant progress is made by all of NECA's constituent authorities the region will continue to be recognised as one of the global leaders in digital and innovation.

The Chair thanked Cllr G Miller for the report.

RESOLVED That:

- i. the report be noted.

7. NECA GOVERNANCE ARRANGEMENTS

Submitted: Report of Deputy Monitoring Officer of the North East Combined Authority (previously circulated and copy attached to the official minutes).

Members considered the report which provided an update on the governance arrangements for NECA. It was noted that whilst Membership changes are usually considered at the Annual Meeting of NECA, due to Covid-19 this has been postponed, however some internal changes from local authorities require updating.

The report outlined changes from Sunderland City Council and the NELEP to the Leadership Board and from Sunderland City Council to EDDAB and the Overview and Scrutiny Committee. Amendments to NECA's appointments to the Transport for the North Board were also outlined.

The Chair thanked N Robason for the report.

RESOLVED That:

- i. the report be noted.
- ii. the proposed changes to Membership be approved.

8. AUDIT COMPLETION REPORT 2019/20

Submitted: Report of Chief Finance Officer of the North East Combined Authority (previously circulated and copy attached to the official minutes).

Cameron Waddell from NECA's External Auditor (Mazars) presented the Audit Completion Report 2019/20. The Board noted that the audit is now fundamentally complete, with some minor queries outstanding regarding LEP expenditure and cash flow.

It was noted that the Tyne and Wear Pension Fund Assurance had now been received and it was highlighted that nothing received is expected to cause any difficulties for sign-off of the accounts. It was raised that due to the Pension Fund uncertainty regarding asset values due to the pandemic, an emphasis of matter paragraph would be added to the NECA Audit Report.

Members noted that the External Auditor is proposing an unqualified opinion on the accounts and an unqualified opinion on Value for Money. It was raised that completion of work on Whole of Government Accounts could not be finalised until group instructions were issued by the National Audit Office and no certificate could be issued.

It was highlighted that no questions or objections were received from members of the public or electors. Members noted that an additional representation would be included in the Management Representation Letter raising a going concern for the impact of Covid-19. The Board noted that the External Auditors had again experience difficulties regarding capacity, however conversations remain ongoing in this area with the finance team.

The Chair thanked C Waddell for the report.

RESOLVED That:

- i. the report be noted.

9. STATEMENT OF ACCOUNTS 2019/20

Submitted: Report of Chief Finance Officer of the North East Combined Authority (previously circulated and copy attached to the official minutes).

John Hewitt delivered the report which presented the Board with the 2019/20 Statement of Accounts for review and approval.

The Board noted that the Statement of Accounts 2019/20 have been presented to the NECA Audit and Standards Committee and any amendments have been made as appropriate.

The report outlined the reserves position, balance of usable reserves, income/expenditure position, balance sheet position and the cash flow statement. Also included was the Annual Governance Statement (Appendix 3).

The Chair thanked J Hewitt for the report.

RESOLVED That:

- i. authorisation be given to the Chief Finance Officer to sign the Letter of Representation on behalf of the Authority (Appendix 1);
- ii. the Statement of Accounts 2019/20 (Appendix 2) be approved, taking into account the views of the NECA Audit and Standards Committee held 27 October 2020;
- iii. authorisation be given to the Chair of the Leadership Board and the Chief Finance Officer to make any further adjustments required to the Statement of Accounts as a result of the conclusion of the external audit and to sign the Statement of Accounts 2019/20;
- iv. the Annual Governance Statement (Appendix 3) be approved; and
- v. authorisation be given to the Chair of the Leadership Board and the Chief Finance Officer to sign the Annual Governance Statement.

10. NECA BUDGET 2021/22

Submitted: Report of Chief Finance Officer of the North East Combined Authority (previously circulated and copy attached to the official minutes).

John Hewitt presented the report which updated the Board on the high level budget proposals for the 2021/22 NECA Corporate Budget including fulfilment of its Accountable Body role for the North East Joint Transport Committee (JTC).

Members noted the proposed NECA Corporate contributions of £25,000 per local authority next year. It was highlighted that the SLAs underpinning NECA and the JTC have all been reviewed. The Board also noted that contributions to the JTC Accountable Body role are anticipated to be maintained at £10,000 per local authority in 2021/22.

The Chair thanked J Hewitt for the report.

RESOLVED That:

- i. the report be noted.

11. DATE AND TIME OF NEXT MEETING

Tuesday 15 December 2020 at 2.00pm.

Leadership Board

Agenda Item 5

Date: 15 December 2020

Subject: Chair's Thematic Portfolio

Report of: Update Chair of the North East Combined Authority

Report to follow

Leadership Board

Agenda Item 6

Date: 15 December 2020

Subject: Economic Development and Digital Thematic Portfolio Update

Report of: Economic Development and Digital Thematic Lead

Report to follow

Leadership Board

Agenda Item 7

Date: 15 December 2020

Subject: Finance, Skills and Employability Thematic Portfolio Update

Report of: Finance, Skills and Employability Thematic Lead

Report to follow

Leadership Board

Agenda Item 8

Date: 15 December 2020

Subject: Membership of the Leadership Board, Appointment of Chair and Vice-Chair and Designation of Thematic Leads

Report of: Deputy Monitoring Officer

Report to follow

Leadership Board

Agenda Item 9

Date: 15 December 2020

Subject: Designation of Statutory Officers

Report of: Deputy Monitoring Officer

Report to follow