

Overview and Scrutiny Committee

Monday 16 July 2018 at 10.00 am

Meeting to be held: Committee Room, County Hall Durham, County Durham DH1 5UQ

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AGENDA

Page No

1. **Apologies for Absence**
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 15 March 2018** **1 - 6**
4. **Thematic Lead Update Report for Economic Development and Regeneration** **7 - 26**
5. **Digital Connectivity Update Report** **27 - 34**
6. **NECA Forward Plan and Scrutiny Work Programme** **35 - 94**
7. **Date and Time of the Next Meeting**

Thursday 20 September 2018 at 10.00am
8. **Exclusion of press and public**

Under section 100A and Schedule 12A Local Government Act 1972 because exempt information is likely to be disclosed and the public interest test against disclosure is satisfied.
9. **Confidential minutes of the previous meeting held on 15 March 2018** **95 - 96**

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To All Members

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Overview and Scrutiny Committee

DRAFT MINUTES TO BE APPROVED

15 March 2018

(10.00 am - 12.30 pm)

Meeting held County Hall, Durham, County Durham, DH1 5UL

Present:

Independent Members: D Taylor-Gooby (Chair) S Hart (Vice-Chair)

Councillors: R Crute, J Eagle, N Weatherley, S Graham, R Dodd, B Flux,
J Amar, W Flynn, N Wright, D Snowdon, M Clarke and G Stone

32 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Patterson (Durham), Glindon (North Tyneside) and Lower (Newcastle).

33 DECLARATIONS OF INTEREST

Councillor Eagle declared an interest as an employee of Nexus and informed Committee that dispensation had been granted for him to take part in discussions of transport related items but he would not be voting in decision making.

34 MINUTES OF 13 SEPTEMBER 2017

The minutes of the meeting held on 13 September 2017 were agreed as a correct record and signed by the Chair.

35 NOTES OF INQUORATE MEETING 14 DECEMBER 2017

The notes of the inquorate meeting held on 14 December 2017 were confirmed as a correct record.

36 NOTES OF INQUORATE MEETING 5 FEBRUARY 2018

The notes of the inquorate meeting held on 5 February 2018 were confirmed as a correct record.

Matters arising

Minute 30 – NECA Forward Plan and Work Programme

Peter Judge (Monitoring Officer) and Helen Golightly (Head of Paid Service) provided an update on recent developments with the North of Tyne Devolution proposals.

The Committee were advised that the consultation period had ended and that the majority of respondents had been in favour of the creation of a North of Tyne Mayoral Combined Authority. A first draft of the Order to create the new Combined Authority had been received – slightly later than anticipated – and had been reviewed by officers, with a report going to the Leadership Board on 20 March 2018. A number of amendments to the draft Order had been proposed by officers. An extraordinary meeting of the Leadership Board would be required once the amended Order was received - it was anticipated that this may need to be held during the pre-election period, but legal officers had reviewed the situation and were satisfied that a decision over whether or not to proceed could be taken during that time. If the Leadership Board agreed to proceed it was proposed that the Order would commence at the beginning of a financial quarter, meaning either 1 July 2018 or 1 October 2018.

In discussion the following points were raised.

- Concerns were raised about the questions used in the consultation – both in terms of the wording, which Members felt only allowed for a positive response, and the lack of a question about having a Mayor – and it was queried whether the questions had been written by Government.

Officers advised that they believed the questions to have been written by the North of Tyne authorities, but that Government had been given an opportunity to comment upon them. Members requested that clarity be sought on this point and it was agreed that officers would write to the North of Tyne Authorities to seek confirmation on who had drafted the questions used in the consultation, and what involvement Government had had in the process.

- It was noted that other areas were making progress in establishing Mayoral combined authorities, including one to cover the whole of Yorkshire, and that failure to agree on a way forward within NECA may result in the interests of the region being held back.
- A Member queried whether there may be constitutional issues going forward for non-Mayoral combined authorities. Officers advised that current legislation was neutral in terms of Mayoral and non-Mayoral combined authorities.

RESOLVED: That officers would write to the North of Tyne authorities to seek clarification on who had drafted the questions used in the consultation, and what involvement Government had had in the process.

37 THEMATIC LEAD UPDATE REPORT FOR EMPLOYABILITY AND INCLUSION

Submitted: Report of Thematic Lead for Employability and Skills and Skills Director North East LEP (previously circulated and copy attached to the Official Minutes).

Councillor Jackson (Thematic Lead for Employability and Skills) introduced the report which provided an update on progress being made in delivering the Employability and Inclusion and Skills themes of the Strategic Economic Plan (SEP) for the North East. Councillor Jackson advised the Committee that the North East economy continued to be characterised by low pay and low skill employment, and that in order to improve living standards it would be necessary to increase productivity which in turn meant increasing skills levels. Major employers were keen to move into the region, or to expand within the region, but in order to do so they needed to have access to a highly skilled workforce.

Ryan Gibson (Facilitator for the Career Benchmarks Pilot) gave a presentation providing members with an overview and update on the Skills programme and the five areas of focus in addressing Skills Challenges.

In response to comments, questions and points raised by Members the following was noted:

1. There were two benchmarks within the North East Ambition programme that were focussed on meaningful encounters with employers and workplaces, and the Enterprise Advisors programme provided an additional link to employers. Work had been taking place to recruit employers to work with schools, and officers had found that employers were very keen to engage. The involvement of senior staff within schools was considered to be vital to the success of the programme as it had been shown to rapidly increase the rate of progress. It was advised that the 'Careers Leader' within schools should always be a senior staff member.
2. In response to a question from members about provision for young people who were not academically inclined, officers advised that the pilot for the North East Ambition Programme had involved a pupil referral unit and special needs schools. Relationships were established with colleges that allowed these students to see a clear path to progression, and there had been a reduction in the number of young people not in education, employment or training (NEET) which could be partially attributed to this. Regular contact with employers and provision of training was also considered to be important.
3. The 'Bring it On' exhibition held at the Stadium of Light in 2017, which had been interactive and had showcased opportunities for young people in engineering, had been a big success. It has been partially funded by the LEP and a second event was to be held at the Beacon of Light in October 2018. Other sectors were interested in replicating the 'Bring it On' approach.
4. Whilst it was not possible to make changes to the national curriculum, it may be possible to influence what was taught in classrooms in terms of skill development and project based learning.

5. In response to concerns about European Social Fund (ESF) funding coming to an end and queries as to what risk mitigation was to be put in place, officers advised that ESF was not the only source of funding and that resources and expertise could be pooled. Government had promised that EU funding would be replaced but details around this had not yet been announced. It was proposed that a case should be made for the North East to have control over its share of funding.
6. There was no commitment made by employers to providing for employment for young people through the North East Ambition programme, only to provision of support and guidance. It was suggested that a guaranteed interview would be a fantastic outcome and a great next step to aim for.
7. One of the benchmarks within the North East Ambition programme related to tackling gender stereotyping and activities took place within schools to challenge stereotypes. An event was to take place for young women to meet females already working in engineering and science.

RESOLVED – That the Overview and Scrutiny Committee noted the contents of the report.

38 **DURHAM YOUTH EMPLOYMENT INITIATIVE**

Submitted: Report of Strategic Lead: Progression and Learning Durham County Council (previously circulated and copy attached to the Official Minutes).

Linda Bailey (Strategic Lead Progression and Learning, Durham County Council) presented the report which provided members with information about the DurhamWorks Youth Employment Initiative (YEI) Programme.

In response to comments, questions and points raised by Members the following was noted:

1. Members expressed concern about the lack of desire from some young people to engage in further activities to develop employability skills and asked what could be done to address this.

Officers advised that the most disadvantaged young people had been targeted for this programme, and that many of them had previously been mandated by the Job Centre which had resulted in them developing a negative view of 'employability skills', and that it could be challenging to persuade them of the potential benefits. It helped if young people were able to clearly see the end results and were offered activities which were less formal in nature and/or helped them to develop work-related skills.

2. Information was collected about the number of young people who had gained employment, but progression would not be reported until the end of the programme as officers did not want to give up on anyone in the meantime. The service was individualised and based on need.

3. If and when funding for the programme ended the branding would remain, and the collaborative working relationships and networks established through the programme would continue.
4. National evaluation would take place six months after completion of the programme, and this could be used to compare results with other YEI areas. However it would take at least a year after the end of the initiative to understand the full outcome. The programme is being evaluated at a local level on a quarterly basis and this evaluation is looking at all aspects of the model and its' delivery. Once the programme ends, it is intended that a review of the younger cohort would take place within 6-12 months.

RESOLVED – That:

- i. The report be received and comments noted.
- ii. Further progress reports on the delivery of the DurhamWorks Programme to be brought to future meetings of the Committee, as appropriate.

39 NECA DECISION MAKING PROTOCOL

Submitted: Report of Monitoring Officer and Policy and Scrutiny Officer (previously circulated and copy attached to the Official Minutes).

Nicola Laverick (Policy and Scrutiny Officer) and Peter Judge (Monitoring Officer) presented the report which outlined the Decision Making Protocol for the Overview and Scrutiny Committee. Nicola reminded members that this item had previously been discussed by the Committee and had been shared with members and Scrutiny Officers from the constituent authorities for comment, and drew attention to the summary of feedback received in paragraph 1.6.

RESOLVED – That:

- i. The comments received from Scrutiny Officers regarding the protocol be noted.
- ii. The draft Decision Making Protocol be agreed and Leadership Board invited to consent to the Protocol.
- iii. The Monitoring Officer and Policy and Scrutiny Officer be instructed to implement the Protocol and to provide advice and guidance to officers regarding the Protocol and the required standards.

40 EXCLUSION OF PRESS AND PUBLIC

RESOLVED – That by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 press and public be excluded from the meeting during the consideration of agenda item 8 (Tyne Pedestrian and Cyclist Tunnels) because exempt information was likely to be disclosed and the public interest test against the disclosure was satisfied.

42 **NECA FORWARD PLAN AND SCRUTINY WORK PROGRAMME**

Submitted: Report of Monitoring Officer and Policy and Scrutiny Officer (previously circulated and copy attached to the Official Minutes).

Nicola Laverick (Policy and Scrutiny Officer) presented the report which provided Members with an opportunity to consider the items on the Forward Plan for the current 28 day period and discuss items for the Work Programme for 2018/19.

In response to comments, questions and points raised by members the following was noted:

1. Members asked to have a report brought back to Committee on all major projects being carried out by or on behalf of the NECA so that members could identify any they may wish to add to their work programme for more detailed consideration.
2. Members requested that they receive details about the joint arrangements for governance and delivery of transport functions between the NECA and the NTCA going forward.

RESOLVED – That:

- i. A report be brought back to the next meeting detailing all of the major projects being carried out by or on behalf of the NECA.
- ii. The Committee to receive details about the joint arrangements for governance and delivery of transport functions between the NECA and the NTCA going forward as they become available.

43 **DATE AND TIME OF THE NEXT MEETING**

Provisional date (subject to confirmation at the Annual Meeting):

Monday 16 July 2018 at 10.00am.

Overview and Scrutiny Committee

Date: 16th July 2018

Subject: Thematic Lead Update Report for Economic Development and Regeneration

Report of: Cllr Iain Malcolm, Chair of the Economic Development and Regeneration Advisory Board

Executive Summary

The purpose of this report is to provide and update to the Committee with an overview of the work of the Economic Development and Regeneration Advisory Board over the 2017 / 18 municipal year. Attached as an annex to this report is an overview of the Department of International Trade activities delivered by the North East Chamber of Commerce.

Recommendations

The Overview and Scrutiny Committee is recommended to receive the report for information.

Overview and Scrutiny Committee

1. Overview

- 1.1 As the Economic Development and Regeneration Advisory Board of NECA the Board has regular discussions on the delivery of the North East's Strategic Economic Plan (SEP) and the various elements which make up the comprehensive programme of its delivery. For example the Invest North East England inward investment activities, the implementation of the European Structural and Investment Funds in the region and the progress of the Enterprise Zones. The Board also seeks to understand wider impacts and influences on the economy to inform activity regionally so this year have had discussions on the Government's Industrial Strategy, the CBI's regional growth project, the future UK Shared Prosperity Fund and inclusive growth, the impacts of Brexit, the work of the North East LEP around education and skills and a presentation from the North East Automotive Alliance about the automotive sector in the region.

2. Strategic Economic Plan (SEP) Delivery

- 2.1 The Board received an update from the North East LEP in January detailing the NECA areas progress towards the SEP targets, progress was measured on the latest economic data published between June and December 2017:
- The number of jobs in the NECA area has increased by 47,600 since 2014, against a target of 100,000 additional jobs by 2024.
 - 36,400, or 76%, of the additional jobs since 2014 are 'better jobs'. Better jobs are defined as those in the top three occupational groups, including managers, directors and senior officials; professional occupations (such as civil engineers and doctors); associate professional and technical occupations (such as laboratory technicians and graphic designers).
 - The employment rate in the NECA area is rising which demonstrates that residents are benefitting from the additional jobs that have been created. The gap in the employment rate between the NECA area and England, excluding London, has reduced by 21% since 2014, against a target of closing the gap by 100% by 2024.
 - The economic activity rate measures the proportion of people aged 16-64 who are actively participating in the labour market. The gap between the NECA area and England, excluding London has reduced by 21% since 2014, against a target of reducing the gap by 50% by 2024.
 - Changes in data availability mean that it is no longer possible to measure progress against the two other targets in the SEP – Gross Value Added per full time equivalent worker and private sector employment density. The North East LEP is currently considering, in consultation with partners, appropriate replacement targets.

3. Inward Investment

Throughout this year the Invest North East England (INEE) team have worked to increase the size and volume of the investment pipeline, building on their previous

Overview and Scrutiny Committee

work through a more proactive approach to generating new investment enquiries.

3.1 2017-2018 Successes

High level Inward Investment Successes April 2017 - March 2018, NECA Area

- There were 83 investment projects resulting in 1,651 new jobs
 - There were 66 FDI projects resulting in 1,360 new jobs
 - There were 17 UK projects resulting in 291 new jobs

Sector	FDI Projects	FDI Jobs	UK Projects	UK Jobs
FPBS	4	25	8	156
Energy	10	599	0	0
Life Science	2	10	4	24
Automotive	9	86	1	50
Advanced Manufacturing	26	491	2	56
Tech (IT/Software)	14	119	1	4
Rail	1	30	1	1
Total	66	1360	17	291

Some of the more significant investments included:

- Komatsu (advanced manufacturing)
- Comau (advanced manufacturing)
- Norton Rose Fulbright (FPBS)
- ABB Interconnector (energy)
- Smulders projects UK (energy)
- Snorkel UK (advanced manufacturing)

Although the successful project total of 83 is only one less compared to the previous year, the job creation totals were significantly lower (1,651 vs 6,126). This was in the main due to the large numbers of FPBS and tech jobs created last year in five large investments by Accenture, Teleperformance, Convergys, ResQ and Sitel. These projects alone created more than 3,500 jobs, with a large Nissan investment creating 800.

Overview and Scrutiny Committee

3.2 Proactive Lead Generation

INEE appointed OCO Global as a lead generation consultant in London and the South East with a particular focus on software/digital and financial, professional and business services. Projects with the potential to create between 500-1,000 jobs have visited the region as a result of this contract. The team continues to work with OCO to build up contacts and promote the North East in these markets.

3.3 Department for International Trade (DIT) Account Management Resource

Contracts have been put into place to broaden the delivery of Strategic Account Management of foreign owned firms in the North East. DIT Northern Powerhouse have provided funding through a contract with NECA to enable local authority partners to deliver additional account management which adds value to the existing arrangements delivered by DIT. It is anticipated that a similar resource will be available in 2018-19.

3.4 Marketing and Events

The INEE team, with support from the North East Local Enterprise Partnership communications team and Sarah Hall Consulting have worked on improving and refreshing marketing materials and the INEE website, as well as plan and deliver campaigns. Over time, it is expected that this will generate new investment enquiries in addition to raising the profile nationally and internationally. Key elements of marketing activity over 2017-18 have included:

- The creation of an INEE brochure with sector specific inserts.
- New pages to the website include Immersive Technology and a revised Offshore Wind page.
- A new Facebook page has been produced to dovetail with existing digital campaigns, which are focused on FBPS and Offshore Wind
- Attendance and sponsorship at key events including NOF Energy, MIPIM London, Vrtgo Conference, TIGA Awards and Offshore Wind Week North East

4. Enterprise Zone

4.1 2017-18 Progress

Enterprise Zone sites have been active in the North East since 2013 and there are now 10 round one and 11 round two sites.

Enterprise Zone sites bring one of two financial benefits to individual businesses with either Business Rates relief or enhanced capital allowances. Local areas, through the North East LEP also retain the full value of the increase in Business Rates from the established baseline for 25 years from the operational

Overview and Scrutiny Committee

commitment of each site. Where other sources of investment are not available, borrowing against the future Business Rates can be used to enable capital investment to help facilitate the development of sites.

Enterprise Zone Sites

Round	Site	Local Authority Area
1	Blyth Estuary – East Sleekburn	Northumberland
1	Blyth Estuary – Bates/Wimbourne Quays	Northumberland
1	Blyth Estuary- Commissioners Quay	Northumberland
1	Blyth Estuary – Dunn Cow Quay	Northumberland
1	North Bank of Tyne - Neptune	Newcastle-upon-Tyne
1	North Bank of Tyne - Swans	North Tyneside
1	A19 Corridor -1	Sunderland
1	A19 Corridor - 2	Sunderland
1	A19 Corridor - 3	Sunderland
2	Ramparts Business Park	Northumberland
2	Fairmoor Morpeth	Northumberland
2	Ashwood Business Park	Northumberland
2	Newcastle International Airport	Newcastle-upon-Tyne
2	North Bank of Tyne - Extension	Newcastle-upon-Tyne
2	Holborn Riverside 1 (Holborn Riverside Extension Park)	South Tyneside
2	Holborn Riverside 2 (Tyne Dock Enterprise Park)	South Tyneside
2	Follingsby Business Park	Gateshead

Overview and Scrutiny Committee

2	International Advanced Manufacturing Park (all EZ site in Sunderland)	Sunderland and South Tyneside
2	Port of Sunderland	Sunderland
2	Hawthorn Prestige Business Park (now Jade Business Park)	Durham

Cushman and Wakefield were commissioned to undertake an evaluation and assessment of the market assumptions included within the financial model; specifically the demand for similar properties, and the resulting impact on timing for development, and the rateable value for the properties. This has been funded through a grant, the Commercial Support Fund, from the Department of Communities and Local Government specifically for Enterprise Zone development

Cushman and Wakefield have confirmed a broadly positive picture for the market in the North East with demand increasing and increasingly limited current supply of properties:

- There is a shortage of high-quality manufacturing and industrial premises due to expected high demand linked to long-term and sizable commitments from the likes of Hitachi, Nissan and Caterpillar. There is also an increasing challenge around logistics and warehousing in well-connected locations due to greater activity in the sector. The oil and gas/offshore sector however remains more mixed with on-going uncertainty over policy direction.
- There has been a long-term growth in market demand for high-quality office space in both central and out of town locations, as currently available developments have become occupied and there has been limited activity since the financial crash with very limited speculative build. This is particularly acute in city and town centre locations.

Cushman and Wakefield are currently engaging partners in each local authority to finalise a shared understanding of the impact of market trends on the local position; however there is likely to be a reduction in the expected rateable value resulting in a lower, but still robust surplus in the model. The findings of the final report will be shared with partners to inform the finalisation of the model and underpin the investment decisions taken for each site.

The second element of the Commercial Support funding is being used for the development of a fuller, overarching, legal agreement between the constituent partners to provide additional detail to the Memorandum of Understanding signed by the North East LEP and the six local authorities, alongside the Department of Communities and Local Government. The Legal Agreement has now been signed by all 7 local authorities and the North East LE and provides a more wide-ranging and detailed framework for the Enterprise Zone delivery and will address both Round 1 and Round 2 sites for consistency. This important agreement has now been signed.

Overview and Scrutiny Committee

5. Industrial Strategy

The Government published its White Paper, Industrial Strategy: Building a Britain fit for the future in November 2017. The paper sets out the how the government will build on economic strengths, and embrace and accelerate technological change for both economic and social purposes to address longstanding productivity underperformance and ensuring greater UK earning power.

Commentators generally welcomed the White Paper as a framework for approaching these issues, and also as a response to an uncertain economic context including preparing for Brexit. Concerns remain about the scale of ambition and the omission of measure to tackle economic issues such as inclusion and social mobility.

5.1 Implications for the North East LEP area

1. The Paper makes a number of references to place and local structures, including the plans for a Local Industrial Strategy (LIS). The framework and process for the development of LIS's has yet to be clearly set out, however, it represents a potential route for strengthening the alignment between national economic objectives, and the objectives and plans set out in the North East Strategic Economic Plan (SEP).

The recent refresh of the SEP positions the North East LEP area well to develop an LIS.

2. Government clearly intends for the LIS to be part of the framework for prioritising emerging regional resources and for securing investment from the national funding streams linked to the Industrial Strategy. The current thinking of the North East LEP is that the region should aim to position itself in the first wave of LIS development to build on the momentum generated from the SEP refresh and to ensure that opportunities for investment are not missed.
3. The North East SEP programmes of delivery are well aligned with the five foundations of productivity. Within this context, some of the key actions (e.g. building innovation excellence across the country, delivering a world-class technical education system, building Growth Hubs, investing in infrastructure) reflect issues that the North East LEP, NECA and other partners are already working on and this will continue. In addition, work that has been done on a number of Science and Innovation Audits provides a potential additional opportunity for securing investment into the region as funding routes become more defined.

- 5.2 Partners in the region will be assessing these and other opportunities as details of programmes and calls emerge and this work will be ongoing. From a North East

Overview and Scrutiny Committee

perspective, the various North East LEP Programme Boards will be seeking to identify opportunities for the North East, taking forward priorities set out in the Strategic Economic Plan and will communicate actively through routes such as Growth Hub and Supernetwork. The LIS should potentially provide a focus for articulating a comprehensive North East offer into these programmes.

6 Brexit Monitoring

The Advisory Board have continued to be kept informed of key areas of Brexit and discussed the impacts to the NE.

6.1 BREXploration

In October 2017, the Economic Development and Regeneration Advisory Board received an update on the work of the BREXploration Commission, a South Tyneside led commission, which set out to gain clarity on region's Brexit priorities, concerns and opportunities, and the specific challenges of different communities, sectors and key industries with the aim of ensuring that these needs are considered in the Government's Brexit negotiations.

Endorsed by EDRAB and the NECA Leadership Board the key recommendations from the BREXploration Commission are:

1. **One voice** – The region will speak with one voice with confidence and self-determination, clearly setting out the needs and aspirations of the north east to inform Brexit negotiations both at national and European level
2. **Agreed economic priorities** – The North East united around the agreed priorities for economic growth, and more and better jobs, set out within the Strategic Economic Plan (SEP); particularly:
 - a. recognising those sectors which has the greatest growth potential;
 - b. the need for a cohesive business support system which provides support and funding for businesses to start up and grow;
 - c. the North East to strengthen its place as an innovation hot spot in Europe – an exemplar in 'smart specialisation and open innovation systems and practice';
 - d. a focus on creating quality jobs and developing a skilled workforce; and
 - e. an effective partnership with school, providers and business to develop a pipeline of home grown talent
3. **Replacement for EU Structural Funds** – There must be a replacement to the EU Structural Funds, which have been an important source of funding for the North East:
 - a. The proposed UK Shared Prosperity Fund provides the opportunity to simplify and fully devolve a multi-year fund to allow strategic management and long term investment

Overview and Scrutiny Committee

decisions in support of inclusive growth.

- b. The fund should be allocated based on economic need, be at least at a scale of the current programme and start in 2020/2021 to ensure continuity in activity.
4. **Free flow of skilled people** – A continued free flow of skilled individuals must be ensured to allow the region's future growth and workforce needs to be met.
5. **Workers Rights** – The rights of employees must be maintained and protected as EU law becomes domestic legislation, and workers in the North East must not see their rights fall behind those in Europe.
6. **Frictionless Trade** – In recognition of the North East's key sectors there must be arrangements which allow frictionless, barrier free trade.
7. **Natural Capital** – the environment must be protected and rural and coastal communities supported to maximise the potential and production of food, farming and fisheries.
8. **Valuable Partnerships** – there must be a continuation of partnerships between the regions, Universities, businesses and European research and innovation networks.
9. We will continue to work in strong partnership between the public and private sector, with our colleagues in the community and voluntary sector and with Government to deliver our shared ambitions for the North East.

6.2 NE Brexit Group

With a membership of the CBI, FSB, EEF, TUC, Entrepreneurs Forum, North East LEP, North East Local Authority Economic Directors, North East Universities, The Association of North East Colleges, Voluntary Organisations Network, and the DCLG/ BEIS Local Growth Team, the group was established to provide a platform for monitoring and sharing information and informing the development of proposals to leave the European Union. As well as preparing and communicating joint evidence about issues and concerns about the impact on the North East Economy, the work of the NE Brexit Group has been the subject of discussion by EDRA.

In April 2018, the group published the 'Leaving the European Union' report which reviews the evidence about opportunities, challenges and risks to the North East economy and its key sectors.

6.3 Migration Advisory Commission

In July 2017, the Government commissioned the Migration Advisory Committee (MAC) to advise on the economic and social impacts of the UK's exit from the European Union and also on how the UK's immigration system should be aligned with a modern industrial strategy.

As part of the call for evidence the Committee was seeking responses by the end of October around:

- EEA Migration Trends;

Overview and Scrutiny Committee

- Evidence about recruitment, training and skills practice; and
- Economic, social and fiscal impacts

A North East response was prepared to the Migration Advisory Committee's call for evidence.

North East Response

The drafting of the response was informed by a number of studies, surveys and ongoing discussions with economic partners from across the area including all of the work undertaken as part of the Strategic Economic Plan refresh process. It should be noted that North East economic partners submitted evidence individually, through other sectoral networks or membership organisations.

The EDRAW committee considered the draft messages at their meeting in October 2017 and endorsed the approach and key messages around economic performance, demographics, migrant profile and role in the population and internationalisation of businesses

Implications and recommendations to the Migration Advisory Committee

It is important that the Migration Advisory Committee consider:

The distinctive demographic characteristics of the North East including:

- both the relatively small size of the current stock of migrants in the labour force, but also the longer term demographic trends and the flows and trends as a result of internal and external migration.
- the relative concentration of migrants in higher value roles in key growth sectors, including manufacturing, life sciences, digital and tech services and education and their importance to the regions key businesses.
- that in considering numerical data about migration in the North East the presence of students and returning UK citizens in the data needs to be understood. Labour market modelling should take into account the dynamic effect of an overall reduction in migration on labour markets in the UK regions. If there is a significant reduction of migration from the EEA, or indeed elsewhere, into London, it should identify the extent to which this will pull migrants and other workers into the capital and the South East. Past experience and trends would suggest that, unless managed carefully, an overall reduction of migration into the UK would have a proportionately much greater impact on the regions and would have a damaging effect on those specialisations where capital or labour is particularly mobile such as in the digital and tech sector.

In the context of any future schemes, businesses in the region are concerned that:

- Schemes which set down requirements for an earnings level for migrants must take into account the fact that wages in general are lower in the NE and there needs to be a mechanism for ensuring that any new requirements do not disadvantage regions outside of London for example by ensuring that wage levels are set relative to levels prevailing in local labour markets.

Overview and Scrutiny Committee

- Schemes which seek to put a ceiling on the number of migrants entering the country should not do so in such a way which disadvantages the North East's need to build its working population to both grow employment and meet replacement demand.
- Schemes which seek to direct migrant labour to specific parts of the country must not create friction for those internationalised businesses whose workers move in and out of the UK, or who need to move around the UK to and from the North East.
- Sectoral classifications need to be considered carefully in the design of any sectoral allocations given the way that sectors are developing. In the North East context for example, recruitment in key manufacturing sectors increasingly relies on digital skills to support high value manufacturing processes. Many North East shared services centres (often mistakenly described as call centres) deliver high level support in both the public sector and private sectors in organisations such as PWC Legal services, HMRC and DWP IT services.
- Given the importance of the Universities to the North East, schemes should not prevent the recruitment of EEA staff and students, and should enable higher skill students to join work related training schemes and remain to fill skills shortages in key North East businesses.

7 CBI Regional Growth Update

- 7.1 The CBI attended the Board meeting in October to provide an overview of the 'Unlocking Regional Growth' report. The report sets out to provide and understanding of the drivers of productivity across UK Regions and Nations. The study looked at why regional productivity differences exist and what more businesses and government can do to tackle them.
- 7.2 The report identified four main drivers of regional productivity difference:
1. **Educational attainment of young people at 16+** - Ensuring that strong school performance is the single most important driver of productivity across the UK. Businesses must also improve in-work training and development. Continuing to attract talent and skills from around the world and regions and nations across the UK is vital.
 2. **Transport links that widen access to labour** – A greater pool of skills and labour leads to greater connections between businesses supply chains. Improving connections between the UK's largest cities can help to drive growth.
 3. **Better management processes** – firms offering performance related bonuses and flexible benefits tend to be more productive.
 4. **A high proportion of firms who export and innovate** – Firms with higher productivity are more likely to export, but exporting also makes firms more productive. Exposing firms to the pressures of foreign models helps them to become more competitive and

Overview and Scrutiny Committee

encourages them to innovate.

- 7.3 The report concludes by urging the government to continue to prioritise investment in education, infrastructure and in empowering local business leaders and business support programmes to support export growth.

As a result of the EDRAB discussion the CBI provided more detailed economic information to members and there was agreement to follow-up the discussion on the skills agenda, as highlighted in the CBI's work an important driver for the North East's economy.

8. Inclusive Growth

Inclusive Growth is growth that benefits all people in all communities and ensures that the economy works for everyone. The rationale for pursuing inclusive growth is documented:

- **Poverty is bad for growth** – unequal countries have low levels of social mobility and underutilisation of human capital (people). To drive up innovation, creativity and productivity we need a more dynamic, socially mobile labour market built upon an effective education and skills system for people of all ages.
- **The fiscal costs of poverty are huge** – by investing in social infrastructure to create inclusive growth, we can reduce spending on welfare on preventative public services.
- **Work no longer assures a route out of poverty** – more than half of people living in poverty are in working households. People at the bottom end of the labour market become stuck in low paid, insecure jobs that offer no prospects for progression. Globalisation and technological change means that there are fewer opportunities for progression and the rungs on the ladder become further apart.
- **Uneven growth** – the dominance of London and the South East has led to a skewed economy where economic opportunity is determined by where people live.
- **Disconnected communities** – residents do not always feel the benefits of economic growth. New 'good' jobs that are created must be accessible to residents from local communities.
- In February 2018, the Board hosted a visit from Matthew Taylor, Chief Executive of the RSA, to discuss inclusive growth and good jobs in the North East, following on the publication of the RSA's Inclusive Growth Commission and the Taylor Review of Modern Working Practices. The visit followed the publication of the government's response to the review.

8.1 UK Shared Prosperity Fund

The 2017 Conservative Manifesto included a commitment to create a UK Shared Prosperity Fund which would "use the [European] structural fund money that comes back to the UK following Brexit to create a UK Shared Prosperity Fund" "designed to

Overview and Scrutiny Committee

reduce inequalities between communities across our four nations” and “...deliver sustainable, inclusive growth, based on our modern industrial strategy”.

Government are widely expected to consult on this fund later this year. The Economic Development and Regeneration Advisory Board discussed the proposed fund at their 24 October meeting.

As a fund to promote inclusive growth and productivity in the North East, informed by learning lessons from European Structural & Investment Funds (ESIF) and beyond, EDRAB endorsed the following characteristics proposed for the UK Shared Prosperity Fund:

1. **A long-term, fully devolved funding programme**, aligned to the regional strategic economic framework (the North East Strategic Economic Plan (SEP);
2. **A multi-year funding programme** (minimum 7 year); Fully devolved to the North East to allow strategic management and long term investment decisions;
3. **At least at a scale of the current EU structural fund programme** (c€560m);.To start before 2020/2021 to ensure continuity in activity;
4. **A flexible fund which avoids a restrictive siloed approach**, and instead funds activities across areas such as innovation, skills, business support, regeneration, and employment support, to fit the needs of the area;
5. **Targeted to reflect economic conditions**, recognising the latent potential in many currently underperforming areas, and not allocated on a competitive basis;
6. **Support the aim to reduce disparities between and within regions**;
7. **A shift towards more broadly defined growth benefits** (e.g. ‘quality GVA’);
8. **Flexibility to both lever in private funds or other public funds** where this is suitable or offer a wholly-financed approach where appropriate; and
9. **Flexibility to fund both revenue and capital.**

- 8.2 These key areas and the views expressed by the members of the Economic Development and Regeneration Advisory Board will be used to inform a regional response to any future consultation.

9. North East LEP Education and Skills Update

- 9.1 At the March 2018 EDRAB meeting, the Board received an update on the following North East LEP Education and Skills programmes and projects.

- Labour Market Intelligence
- Graduate Retention
- Construction: Labour Skills Gap
- Good Careers Guidance Benchmarks
- Enterprise Advisor Programme
- North East Education Challenge

Overview and Scrutiny Committee

- Fuller Working Lives – 50+

9.2 The Board welcomed the range and volume of work that is being carried out and the discussion following the presentation focused on the following key themes:

- Measurements of success
- Tackling unemployment, including intergenerational unemployment
- Gaining an understanding of the causes of unemployment
- Improving employability skills
- Careers guidance
- The aging workforce in the region
- The role of support and information for business start-ups

The North East LEP will be invited to present a progress report in the next municipal year.

10. Automotive Sector Deep Dive

10.1 The Board took a 'Deep Dive' into one of the region's key sectors and Paul Butler, Chief Executive of the North East Automotive Alliance attended the March meeting to provide an overview of the automotive sector in the North East.

The presentation covered:

- Areas of specialism in the North East
- An overview of recent significant investments in the region
- An overview of the challenges that the sector is facing
- Opportunities for future developments in the sector, particularly in the North East
- An overview of the Automotive Sector Deal announced by government in the Industrial Strategy and the opportunities for the North East.

10.2 The discussion following the presentation included points around:

- The challenges associated with the phasing out of diesel-run vehicles and an increase in the number of electric vehicles, including the national infrastructure to support the transition;
- The employment and skills requirements for the sector;
- Improvements to local infrastructure to support employment growth, for example transport infrastructure and public transport; and
- New and emerging technologies.

11. Financial and Other Resource Implications

11.1 There are no financial or other resource implications directly associated with the recommendations of this report as it is for information only.

12. Legal Implications

Overview and Scrutiny Committee

12.1 There are no legal implications associated with this report.

13. Key Risks

13.1 There are no risks associated with this report.

14. Equality and Diversity

14.1 There are no equality and diversity implications associated with this report.

15. Crime and Disorder

15.1 There are no crime and disorder implications associated with this report.

16. Consultation/Engagement

16.1 This report is for information, there are no internal or external consultations associated with this report.

17. Other Impact of the Proposals

17.1 There are no proposals contained in this report.

18. Appendices

18.1 Appendix 1: The Delivery of Department for International Trade Activities by the North East England Chamber of Commerce

19 Background Papers

19.1 CBI Unlocking Regional Growth
http://www.cbi.org.uk/index.cfm/_api/render/file/?method=inline&fileID=9AF06398-223D-4214-B96F1AD8A2FE4CC8

Leaving the European Union
<https://www.nelep.co.uk/wp-content/uploads/2018/06/nel377-sector-study-a4-final-version.pdf>

Good Work: The Taylor Review of Modern Working Practices
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/627671/good-work-taylor-review-modern-working-practices-rg.pdf

20. Contact Officers

20.1 Sarah McMillan, Corporate Lead, Economic Strategy and Skills,
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Julie Underwood, International Trade Director,

Overview and Scrutiny Committee

Julie.underwood@mobiletrade.gov.uk 0300 303 6322

21. Sign off

- 21.1
- Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓

22. Glossary

BEIS – Business, Energy and Industrial Strategy

CBI -Confederation of British Industry

DCLG – Department for Communities and Local Government

DIT -Department for International Trade

DWP – Department of Work and Pensions

EEA – European Economic Area

EEF – Engineering Employers Federation

FSB- Federation of Small Businesses

HMRC – Her Majesties Revenue and Customs

INEE – Invest North East England

ITA – International Trade Investors

NECC – North East Chamber of Commerce

PWC – Price Waterhouse Coopers

SME – Small to Medium Enterprise

TUC – Trade Union Congress

Overview and Scrutiny Committee

APPENDIX 1

The Delivery of Department for International Trade (DIT) Activities by the North East England Chamber of Commerce

1. Introduction

The Chamber delivers the DIT service throughout the North East and is currently commencing delivery of year four, of a five year contract. DIT have, however, just released a “Prior Information Notice” stating their intention to potentially reprocure export services later this year. The Chamber has also delivered on behalf of DIT in a consortium arrangement, prior to the current contract.

Due to the Chamber’s strong focus on international trade, through its already well established service for export documentation and practical support and guidance, plus its international connectivity with Chambers throughout the world, the DIT contract provides an additional portfolio of support which completes a very comprehensive offer for North East businesses. The Chamber has an excellent track record in delivering the export services contract, exceeding targets on a yearly basis.

International trade is crucial to the North East region and the Chamber delivers the contract with a view to maximising support for North East companies to generate economic growth and sustainability, supporting the aims and objectives of both NELEP and NECA.

2. Delivery Structure

Within the NECA area we have five locally based International Trade Advisers (ITAs), focusing on specific, geographic areas, plus sector specialists in the following disciplines; automotive, digital and creative, healthcare and life sciences, food and drink and e – commerce. The team is managed by a Team Leader, reporting into the Chamber’s International Trade Director. The model is very much based on partnership working, particularly with Local Authorities, and this is evidenced within this report.

This team of advisers is supported by a strong operational team including; a marketing and events team, business development team, trade mission delivery and the management of an integrated ERDF export support programme. The impacts and key KPIs of the DIT contract are “Export Wins” secured with the help and support of an ITA. An “Export Win” being a secured overseas sale. “Export Wins” are validated by the business and audited directly by DIT HQ.

3. Activities

3.1 ITA Support

The fundamental DIT service hinges around the ITA. ITAs work with the whole spectrum of companies from novice exporters to larger, much more experienced businesses who want assistance to trade with different markets. The ITA develops an Export Growth Action Plan with the business which identifies the key activities the business needs to undertake to sell

Overview and Scrutiny Committee

overseas. This can include; specific training, a visit to an overseas market, website development, translation of marketing material, in market research and technical support. In many cases the cost of the planned activities can be part funded by ERDF.

At the time of writing this report the contract delivery framework for 2018/19 is being finalised and outputs are moving to focus on the value of exports, rather than the number of new exporters.

3.2 Workshops and Events

A series of workshops and events are also delivered to further support businesses, in many cases these are delivered in partnership with local authority colleagues and hosted at partner venues. Our programme is delivered under three strands:

- **Introduction to Export:** The basics for first time and novice exporters
- **Market Opportunities:** Meet experts from overseas Chambers, DIT posts and market entry consultants
- **Trade Skills:** Acquire skills to facilitate international trade

Programme to March 2018

- **Introduction to Export:** The basics for first time and novice exporters. Three workshops have been held in January and February
Introduction to Export workshops:
 - 14th February – St James', Centre Alnwick
 - 16th February – St James' Park, Newcastle
 - 22nd February – St James' Park, Newcastle
Introduction to International e-Commerce
1st March – Evolve Business Centre, Sunderland
You Can Export – Go Digital: Boost your International Sales Online
- **Market Opportunities:** Meet experts from overseas Chambers, DIT posts and market entry consultants.
 - 21st February - You Can Export – Food and Drink 1-2-1 Clinics with the China Britain Business Council
 - 23rd February – You Can Export – Womble Bond Dickinson, Newcastle
 - 1st March – You Can Export – Opportunities in Central Europe Durham
 - 22nd March - You Can Export – Opportunities in the Middles East, Durham
 - 1st May – Britain in South East Asia Roadshow – Durham

Overview and Scrutiny Committee

- **Trade Skills:** Acquire skills to facilitate international trade.
 - 28th February You Can Export – Managing Agents and Distributors, Durham
 - 22nd February - Managing Agents and Distributors, Tanfield Lea Business Centre, Durham
 - 27th February - How to Succeed at International Exhibitions, Durham

3.3 Trade Mission Programme

Each year we work with colleagues across the Northern Powerhouse region, to deliver a programme of trade missions. These cover programmes for new exporters, attendance at key international trade fairs and exhibitions and bespoke programmes where we want to develop key collaborations with overseas markets which present good opportunities for the key strengths of North East businesses.

Since March 2017 the North East team have led the following missions:

- Boston, 15 delegates, sector focus digital, tech, healthcare and life sciences
- Food Hospitality China Trade Show, Shanghai, 14 delegates, sector focus beverages
- Dublin, 11 delegates, new to export mission with intensive support programme
- Maison & Objet Trade Show, Paris, new to export mission, 16 delegates
- Belin and Brandenburg, new to export mission, 18 delegates
- India, North East led mission to Bangalore, Pune and Mumbai

The trade mission programme for the current contract year is yet to be fully confirmed, but due to previous successful missions, the North East team will be leading on Boston and Food Hospitality China in Shanghai.

3.4 ERDF Programme – “Expanding North East Presence in North East Markets”

This programme was designed in collaboration with the Growth Hub and NELEP. The three year £4.8m project will work with 360 new and existing exporters throughout the North East LEP area, providing innovative tailored help – focussed on companies in North East LEP sectors and the Transitional Area - including grant assistance for Export Growth Action Plans. This activity compliments activities in the DIT Core contract with an Export Development Fund and Specialist Support, the project is in the process of boosting the capability and capacity of SMEs to internationalise, increasing the numbers of local exporters and the value of exports and create 325 new jobs.

Current Outputs

- Funding **£740K** committed against a target of **£722K**
- Businesses supported through an Export Growth Action plan = **329** against a target of **360**
- 160 companies have claimed totalling **£377K**
- Jobs created= 94, this is 32 ahead of profile target, with total target for jobs being 325.

Overview and Scrutiny Committee

To date we have successfully worked in collaboration with South Tyneside Council to offer in depth support to 5 competition winners. We are now working with Sunderland Council to identify potential exporters and support them with a joint offer of grant funding.

The Innovation in Services project is a specialist programme which offers in depth support, primarily within the transitional area. An example of this is bespoke digital and legal support for Durham SME's and later this year we will be undertaking some meet the buyer activity for Denmark and the Netherlands. It also successfully delivered a mission to Ireland for 11 businesses. In addition to these activities, we have developed training to support businesses in making the most out of trade show attendance. The first workshop takes place in February with a view to host more. Matching the ERDF to the DIT Core Contract has been crucial in being able to introduce tailored, localised projects to encourage more companies to engage in trading internationally.

4. **Export Wins by Local Authority Areas.**

As detailed the "Export Win" is the key measurement of the DIT activity, which we record by Local Authority area.

Summary of Export Wins By Local Authority (April 1 2017 – 31st 2018)

Local Authority	Number of Wins	Value of Wins
Gateshead	27	£6,581,748
Newcastle	130	£32,052,690
North Tyneside	37	£5,836,716
Northumberland	54	£24,639,605
South Tyneside	25	£15,401,750
Sunderland	26	£67,601,470
County Durham	91	£18,855,553
Totals	390	£170,969,532

Overview and Scrutiny Committee

Date: 16 July 2018

Subject: Digital Connectivity Update

Report of: Steve Smith - Chair, NECA Digital Leads

Executive Summary

The purpose of this report is to provide an update on the Digital Connectivity workstream of the NECA Digital Leads group. This work encompasses the existing programmes of work undertaken by each local authority to increase the availability of superfast broadband as part of the BDUK national programme, in addition to work to ensure the region is well placed to be able to access future digital connectivity such as full fibre, 5G and IoT.

The NECA Digital Leads group also works together to find opportunities to collaborate on regional digital activities such as education, skills, knowledge sharing, etc.

Recommendations

The Overview and Scrutiny Committee is recommended to receive the report for information and comment.

Overview and Scrutiny Committee

1. Background Information

- 1.1 There are a number of elements within the Digital Connectivity workstream which forms part of the work of the NECA Digital Leads group, with some of these such as the deployment of superfast broadband infrastructure being led at a local authority level rather than a NECA level with the only involvement of the Digital Leads group being to seek opportunities to ensure a consistent approach is being adopted in areas like planning, new developments and in addressing challenges such as wayleaves, etc.

- 1.2 A summary of the Digital Connectivity activities is provided below.

Superfast Broadband Deployment

- 1.3 Coverage of superfast broadband is now at approx. 97% across the NECA area, however there are local differences in coverage with urban areas enjoying 98-99% coverage whilst rural areas are still lagging behind and are slightly below the national average of 95%. Work is continuing to increase coverage to 99%+ across all of the NECA area to ensure that social and economic benefits of improved digital connectivity are fully realised. Work has already begun to ensure that as communications technology progresses to Ultrafast (300Mbps+) and Hyperfast (1Gbps+) standards that the region is able to maintain competitiveness by attracting continued investment from government and the communication providers.

- 1.4 Current coverage levels are shown in the table below:

Area	% Superfast (EU)	% Full Fibre	% <10Mbps
<i>UK Average</i>	<i>94.98%</i>	<i>3.82%</i>	<i>3.50%</i>
Durham	95.36%	0.44%	2.51%
Gateshead	96.42%	0.64%	3.13%
Newcastle	97.46%	2.61%	1.98%
Northumberland	92.73%	1.90%	4.93%
North Tyneside	97.83%	0.29%	1.70%
South Tyneside	98.55%	0.00%	1.33%
Sunderland	98.10%	0.26%	1.59%

Overview and Scrutiny Committee

- 1.5 There are however a number of challenges with the deployment which are likely to increase as it progresses into the remaining 5%. Some of these challenges are specific to local areas such as the urban core of Newcastle which fell outside the national State Aid umbrella and as such was not eligible for public subsidy which has resulted in a lack of superfast broadband infrastructure being available, through to issues that will impact the wider region such as new developments being built without fibre broadband provision and challenges with wayleaves, highways, etc which hamper deployment.
- 1.6 Significant work has been carried out to encourage developers and communication providers to work together to ensure that full fibre broadband infrastructure is installed at the construction stage which unfortunately has not been the case in many developments thus far. The North East was recently highlighted in a report as having the lowest level of full fibre infrastructure installed in new developments in 2017, with only 58.2% of new homes built having access to superfast broadband and only 11.6% having access to full fibre infrastructure, compared to the national figures of 75.8% and 31% respectively. This is made more disappointing as the telecommunication providers offer full fibre connectivity at no additional cost (over the cost of copper telephone lines) in new developments of 30 or more premises, however developers clearly are not taking up this opportunity which is resulting in significant new developments being left without adequate broadband provision.
- 1.7 Unfortunately there are no national conditions that can be applied during the planning process that would force developers to ensure full fibre broadband is installed at the construction stage, however we are exploring how we might introduce this consideration into regional local plans. The updated Draft Northumberland Local Plan which is currently out for consultation includes four planning policies specifically aimed at ensuring any new developments provide adequate consideration of digital connectivity during the planning process, with the hope being that, subject to the outcome of the consultation, these would be implemented and could then be adopted by the other NECA local authorities.
- 1.8 As the deployment extends into less densely populated rural areas another significant issue that presents is the increased requirement for wayleaves or significant potentially disruptive civil engineering works needed to deploy full fibre infrastructure as cabinet based solutions are no longer viable due to the distance between properties. Fibre to the Cabinet (FTTC) broadband infrastructure is only effective where clusters of properties are available within a 1.5km radius of the cabinet location, with anything further away not getting any significant speed benefit. As such there is an increasing requirement to use Full Fibre to the Premises (FTTP) broadband to deliver services, as this does not suffer any speed degradation over distance, however this involves installing new cabling all the way to each property. As an example of this, in Northumberland the current phase of deployment, which will see coverage reach 96% of properties, needs approximately

Overview and Scrutiny Committee

5 times the volume (and cost) of cabling works than the previous phase.

- 1.9 This is in many cases hampered by the number of wayleaves that are required in order to deploy the infrastructure as a higher percentage of the cabling crosses private land which often requires interaction with land agents who see the deployment as a way of generating additional income via fees. Unfortunately this can lead to communities being excluded from the deployment as the increased fees push the cost of deployment outside the nationally set cost caps (currently £1,700 per premise).
- 1.10 Work continues in order to attract alternative suppliers to the region in a drive to increase competition at the infrastructure level, as this has been shown to improve the overall availability of full fibre broadband as suppliers compete to attract and retain customers.

5GNE

- 1.11 Work has been ongoing to develop a regional 5G testbed for some time which has now culminated in a NECA bid for funding under the Department for Digital, Culture, Media and Sport (DCMS) 5G Testbeds and Trials Programme.
- 1.12 The 5GNE Urban Connected Communities Project aims to be the first urban area in the UK to achieve the rollout of commercial 5G infrastructure services “at-scale”.

Local Full Fibre Networks (LFFN)

- 1.13 A number of bids are in development in the region for the next wave (wave 3) of the Department for Digital, Culture, Media and Sport (DCMS) Local Full Fibre Networks (LFFN) funding.
- 1.14 Bids for funding are being developed by Durham, South Tyneside, Newcastle, North Tyneside and Northumberland, however the detail of each bid is not shared with the NECA Digital Leads group due to the competitive nature of the bidding process. We have however attempted to share information where possible in an attempt to make the bids complimentary where opportunities exist, such as the potential to utilise Nexus infrastructure (duct and fibre) in order to reduce the civil engineering works required to install a regional fibre backbone network.
- 1.15 The bid process for wave-3 of the funding has changed from previous waves, with DCMS taking a more collaborative approach to bid development with Local Authorities to ensure that bids are fully aligned with their objectives.

2. Proposals

Overview and Scrutiny Committee

- 2.1 The report is intended to provide an update to the Overview and Scrutiny Committee.
- 3. Reasons for the Proposals**
- 3.1 The report provides an update to the Committee regarding the Digital Connectivity workstream of the Digital Connectivity Group.
- 4. Alternative Options Available**
- 4.1 The report is intended for information only.
- 5. Next Steps and Timetable for Implementation**
- 5.1 The activities of the Digital Connectivity Group will continue to be progressed and updates will be given to the NECA Economic Directors Group, as appropriate.
- 6. Potential Impact on Objectives**
- 6.1 There are no known potential impacts on the recommendations of this report.
- 7. Financial and Other Resources Implications**
- 7.1 There are no known financial or other resource implications regarding the recommendations within this report.
- 8. Legal Implications**
- 8.1 There are no known legal implications regarding the recommendations within this report.
- 9. Key Risks**
- 9.1 There are no known key risks.
- 10. Equality and Diversity**
- 10.1 There are no known equality and diversity implications regarding this report.
- 11. Crime and Disorder**

Overview and Scrutiny Committee

11.1 There are no crime and disorder implications regarding this report.

12. Consultation/Engagement

12.1 Consultation regarding this report has taken place with NECA Economic Directors and Statutory Officers.

13. Other Impact of the Proposals

13.1 There are no other known impacts on the proposals of this report.

14. Appendices

14.1 None.

15. Background Papers

15.1 None.

16. Contact Officers

16.1 Steve Smith - Chair, NECA Digital Leads

E-mail steve.smith@northumberland.gov.uk Tel: 01670 622928

17. Sign off

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

18. Glossary

DCMS	The Department for Digital, Culture, Media and Sport.
LFFN	Local Full Fibre Networks, a funding programme from DCMS (see above).
FTTC	Fibre to the Cabinet, superfast broadband infrastructure that is deployed using a mix of fibre and copper technologies and is capable of speeds of up to 80Mbps.
FOTP	Fibre to the Premise, also known as "Full Fibre", broadband infrastructure that is considered to be the most future proof and the

Overview and Scrutiny Committee

current focus of government and communication providers policy.

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Overview and Scrutiny Committee

Date: 16 July 2018

Subject: Forward Plan and Scrutiny Work Programme

Report of: Monitoring Officer and Policy and Scrutiny Officer

Executive Summary

The purpose of this report is to provide Members with an opportunity to consider the items on the Forward Plan for the current 28 day period and discuss items for the Work Programme for 2018/2019.

The report also provides an update and annual review on the items considered as part of the NECA Decision Making process, which includes the consultation of the Chair of the Overview and Scrutiny Committee.

Recommendations

The Overview and Scrutiny Committee is recommended to:

1. Consider the current Forward Plan and provide any comments on items that members would wish to discuss;
2. Suggest any items for the Work Programme for 2018/2019;
3. Comment on the Annual Review of Decision Making process as part of this report; and suggest any other details required as part of future annual reviews
4. Note the minimal changes made and comment on the Decision Making Protocol that was approved by the North East Leadership Board on the 19 June 2018.

Overview and Scrutiny Committee

1. Background Information

- 1.1 The Forward Plan is a document which NECA is required to maintain under the Combined Authorities (Overview and Scrutiny, Access to Information and Audit Committees) Order 2017. The Forward Plan is published on NECA's website and lists the decisions that the North East Combined Authority intends to take in the coming months and must include all decisions to be made in the next 28 days. The Forward Plan contains specific information relating to each decision, including the date the decision will be made, a brief explanation of the topic, the consultation to be undertaken, and contact details of the author.
- 1.2 Details of each decision are included on the Forward Plan 28 days before the report is considered and any decision is taken. There are special procedures for circumstances where publication is impractical or where there is special urgency. Both of these procedures involve the Chair of the Overview and Scrutiny Committee and would be reported to the committee at the next meeting.

2. Role of Overview and Scrutiny

- 2.1 The Overview and Scrutiny Committee examine any decision of the Authority – be that by the principal decision making body or a committee or officer holding delegated authority. This Scrutiny occurs in public and ensures democratic and public accountability.
- 2.2 One of the main functions of this Committee is the review and scrutiny of decisions 'Key Decisions' made by the North East Leadership Board (NELB), the Transport North East Committee (TNEC), Transport North East (Tyne and Wear) Sub-Committee (TWSC) and Officers. The relevant regulations set out a test for what should be considered a Key Decision – being those which are most significant in financial or other terms.
- 2.3 It is NECA's practice to include formal decisions on the forward plan to maximise the opportunity for review and scrutiny. In considering items in the Forward Plan, the Overview and Scrutiny Committee should determine which areas scrutiny can add most value to in relation to the decision being made
- 2.4 The Forward Plan at the date this paper was issued is attached marked as Appendix 1. The up to date forward plan is always published at <https://www.northeastca.gov.uk/committee-meetings/forward-plan>.

3. Annual Work Programme

- 3.1 The work programme has been compiled to allow the Overview and Scrutiny Committee to have an overview of all performance, decision-taking and developments within the NECA, as well as being focused and flexible to allow for new issues and recognising the capacity of the scrutiny committee to respond in a

Overview and Scrutiny Committee

timely way to emerging developments throughout the year. The Plan allows the Committee to take a longer term view than the Forward Plan, adding a longer term perspective to the Committee's work. Advantages of a longer term perspective is the opportunity to gain a deeper understanding of matters and to allow for more constructive engagement and scrutiny.

3.2 The Overview and Scrutiny Committee obtains work programme items from the following sources:

- a) Items submitted by Members of the Committee (and including items referred by other members of the Combined Authority);
- b) Suggestions from the Scrutiny Officer or NECA Chief Officers;
- c) The Budget and Policy Framework;
- d) The Forward Plan;
- e) The three Thematic Leads; or,
- f) Evidence for any policy review work.

3.3 The Annual Work Programme is developed by the Chair, Vice Chair, both working with the Policy and Scrutiny Officer.

3.4 The Annual Work Programme for 2018/2019 is attached as Appendix 2. It has been created to allow for flexibility of items and avoid creating too many items per meeting; this approach allows for a greater focus to the items on the agenda.

3.5 Items have been added to the current work programme (Appendix 2) that are part of the Committee's reports for information and monitoring, as detailed in the programme document. The monthly committees that are planned allow for flexibility and members input at the July committee to plan for the committee year ahead.

4. Reasons for the Proposals

4.1 The report proposes to provide Members with an opportunity to consider the items on the Forward Plan for the current 28 day period and discuss the Annual Work Programme for 2018/19.

5. Alternative Options Available

5.1 Committee members are asked to input on any additional items as part of continued planning for the Work Programme for 2018/19. The preferred option is for members to consider the Forward Plan and the updated Work Programme for 2018/19.

Overview and Scrutiny Committee

6. Next Steps and Timetable for Implementation

Next steps:

- 6.1 In considering the Forward Plan, Members are asked to consider those issues where the Scrutiny Committee could make a contribution and add value.
- 6.2 If the Overview and Scrutiny Committee determines to review or scrutinise a decision notified in the Forward Plan, a meeting of the Committee will be arranged to allow scrutiny members to carry out their role in a timely way.
- 6.3 The work programme will be refreshed and updated at each meeting of the Committee throughout the year.

Decision Making Protocol

- 6.4 The Overview and Scrutiny Decision Making Protocol that was adopted by the Committee in March 2018 was reviewed and agreed by the Leadership Board on the 19th June 2018. Following this we have amending minimal wording to clarify the explanation of the process for the Requests for Special Urgency and General Notice of Exception rules within the Combined Authorities Overview and Scrutiny Order 2017 (Appendix 4).
- 6.5 The Monitoring Officer and The Policy and Scrutiny Officer will circulate the Protocol to Officers, following advice and guidance workshops that will be planned during July/August to ensure Officers understanding of the Protocol.

Decision Making – Annual Review

- 6.6 To support the principles of the new Protocol, an Annual Review of Decision Making Report is attached (Appendix 3) and is intended to provide a mechanism to Members of the Overview and Scrutiny Committee as part of their role to ensure the formal overview of decision making and accountability of the Combined Authority regarding its decision making.

7. Potential Impact on Objectives

- 7.1 Development of a work programme and review and scrutiny of decisions in the Forward Plan will contribute towards the development and implementation of the policy framework of the NECA, Nexus and the North East LEP as well as providing appropriate challenge to decisions taken.

8. Financial and Other Resources Implications

- 8.1 No financial or other resource implications are identified at this stage.

Overview and Scrutiny Committee

9. Legal Implications

- 9.1 There are no specific legal implications arising from these recommendations.

10. Key Risks

- 10.1 There are no key risks associated with the recommendations made in this report.

11. Equality and Diversity

- 11.1 Not applicable.

12. Crime and Disorder

- 12.1 Not applicable.

13. Consultation/Engagement

- 13.1 On-going consultation takes place with Officers and Scrutiny Members across the NECA in regards to the items for the Annual Work Programme as Appendix 2.

14. Other Impact of the Proposals

- 14.1 The proposals consider the wider impact and take into account the Principles of Decision Making as set out in the NECA Constitution. They allow Members consideration of the items on the Forward Plan and allow them the opportunity to have an overview of all performance, decision making and developments across NECA.

15. Appendices

- 15.1 Appendix 1 – Forward Plan
- 15.2 Appendix 2 – Annual Work Programme
- 15.3 Appendix 3 – Annual Review of Decision Making
- 15.4 Appendix 4 – NECA Decision Making Protocol

16. Background Papers

- 16.1 None

Overview and Scrutiny Committee

17. Contact Officers

- 17.1 Peter Judge, Monitoring Officer
Email: peter.judge@northeastca.gov.uk
Telephone Number: 07342069371
- 17.2 Nicola Laverick, Policy and Scrutiny Officer
Email: nicola.laverick@northeastca.gov.uk
Telephone Number: 07342 069 369

18. Sign off

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

19. Glossary

NECA - North East Combined Authority

NELB - North East Leadership Board

North East LEP - North East Local Enterprise Partnership



Forward Plan of Decisions

Published 5 July 2018 *

The Forward Plan for the North East Combined Authority (NECA) is prepared and published by the Monitoring Officer for the purpose of giving 28 days' notice of decisions that are planned to be taken by the NECA, its committees or a Chief Officer, and which impact on the key areas of the NECA, namely Transport, Economic Development, Regeneration, Skills and Inclusion.

Unless otherwise indicated, if you require any further information or wish to make representations about any of the matters contained in the Forward Plan please contact the appropriate officer as detailed against each entry at least 7 days before the meeting.

***The most recent entries are referred to as "NEW". Updated entries are referred to as "Updated". Items withdrawn since the last publication are referred to as "Withdrawn", and following that will be removed altogether.**

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
A. North East Leadership Board (Leadership Board)							
LB 2 (a)	31 July 2018 (Standing Item)	Leadership Board	<p>Thematic Lead Updates</p> <p>a) Economic Development and Regeneration Thematic Lead Update report – for information and comment.</p> <p>b) Employability and Inclusion Thematic Lead Update report – for information and comment.</p> <p>c) Transport and Digital Connectivity Thematic Lead Update Report – to provide Leadership Board with an update in the</p>	All	<p>a) To be confirmed.</p> <p>b) To be confirmed</p> <p>c) To be confirmed</p>	<p>a) To be confirmed.</p> <p>b) To be confirmed</p> <p>c) To be confirmed</p>	<p>a) Sarah McMillan Corporate Lead Strategic Development 0191 424 7948 sarah.mcmillan@southtyneside.gov.uk</p> <p>b) Janice Rose Economic and Inclusion Policy Manager 01670 624747 Janice.rose@northumberland.gov.uk</p> <p>c) Tobyn Hughes Managing Director (Transport Operations) (0191) 2033246</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			thematic lead area of Transport (and Digital Connectivity).				Tobyn.hughes@nexus.org.uk
LB 2 (b)	31 July 2018 (deferred from 19 June meeting)	Leadership Board	<p>Proposed purchase of land at Howdon (confidential report)</p> <p>The report seeks Leadership Board approval for delegated authority to be given to the Managing Director (Transport Operations) to purchase land at Howdon for the construction of a Satellite Depot for the Tyne and Wear Metro. This approval is subject to the landowner, North Tyneside Council agreeing to the sale.</p>	Transport	Consultation will be undertaken with Statutory Officers as required.	<p>Plan of the proposed purchase site at Howdon</p> <p>Valuation report from Knight Frank.</p>	<p>Tobyn Hughes Managing Director Transport Operations (0191) 2033246 tobyn.hughes@nexus.org.uk</p>
LB 2 (c) Withdrawn	31 July 2018	Leadership Board	Finance update – 2017/18 and 2018/19	Corporate Issue	The budget reported was subject to a	NECA Revenue Budget	Paul Woods Chief Finance Officer

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
	This item has been replaced by items LB 2 (f) and LB 2 (g) - Capital Programme Monitoring Report and Revenue Budget Monitoring Report		<p>first quarter Budget monitor.</p> <p>This will be a report for information providing an update on the outturn against the 2017/18 revenue budget and capital programme and an update on progress in 2018/19.</p>		period of consultation during December 2017	2018/19 and NECA Capital Programme 2018/19.	<p>paul.woods@northeastca.gov.uk</p> <p>Katherine Laing Principal Accountant 0191 2116065 katherine.laing@northeastca.gov.uk</p>
LB 2 (d)	31 July 2018	Leadership Board	<p>Statement of Accounts 2017/18</p> <p>This report summarises the findings of the External Audit of the 2017/18 Statement of Accounts and presents the Final Accounts for approval. The Leadership Board is recommended to agree to approve the Final Accounts.</p>	Corporate Issue	The accounts presented to this meeting have been subject to a period of public inspection in June and July 2018, and have been presented to the Audit and Standards Committee on 30 July 2018. Feedback from	NECA Statement of Accounts 2017/18	<p>Paul Woods Chief Finance Officer 07446936840 paul.woods@northeastca.gov.uk</p> <p>Katherine Laing Principal Accountant 0191 2116065 katherine.laing@northeastca.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
					that committee will be presented to this meeting.		
LB 2 (e)	31 July 2018	Leadership Board	<p>Combined Authority Governance Changes-Update</p> <p>The report updates Leaders and Elected Mayor on progress with the proposed changes in combined authority governance in the region following the decision by the Leadership Board on 26 April to agree in principle to the making of an Order changing the NECA boundaries, creating a new Mayoral Combined Authority and establishing new joint transport governance arrangements. The</p>	Corporate Issue	Extensive consultation has taken place internally and externally on this matter.	Leadership Board Report – 20th March Leadership Board Report – 26th April	<p>Peter Judge Monitoring Officer 07342 069 371 peter.judge@northeastca.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			Leadership Board will be asked to note the progress made.				
LB 2 (f)	31 July 2018	Leadership Board	<p>Capital Programme Monitoring Report</p> <p>The report will provide Leadership Board with a progress update in relation to delivery of the transport related capital programme. The report will provide an update for 2017/18 and the first quarter of 2018/19.</p>	Corporate Issue	Consultation on the capital programme with Treasurers and Chief Executives, and capital programme agreed by Leadership Board	NECA Revenue Budget and Capital Programme.	<p>Paul Woods Chief Finance Officer paul.woods@northeastca.gov.uk</p> <p>Katherine Laing Principal Accountant 0191 2116065 katherine.laing@northeastca.gov.uk</p>
LB 2 (g)	31 July 2018	Leadership Board	<p>Revenue Budget Monitoring Report</p> <p>The report will provide Leadership Board with a progress update in relation to how the transport related budgets for the delivery agencies are</p>	Corporate Issue	Consultation on the budget with Treasurers and Chief Executives, and budget agreed by Leadership Board	NECA Revenue Budget and Capital Programme.	<p>Paul Woods Chief Finance Officer paul.woods@northeastca.gov.uk</p> <p>Katherine Laing Principal Accountant 0191 2116065 katherine.laing@northeastca.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			being managed. The report will provide an update for 2017/18 and the first quarter of 2018/19.				
LB 2 (h)	31 July 2018	Leadership Board	<p>Project Approvals (confidential report)</p> <p>The report seeks approval for project funding decisions expected to be taken at the North East LEP Investment Board and main Board meetings during July in relation to the Local Growth Fund and Enterprise Zone Infrastructure funding; an item relating to a North East Investment Fund (NEIF) Loan and potentially an update on a bid for 5G funding.</p>	Economic Development and Regeneration	Consultation will be undertaken with statutory officers as required.	None	<p>Paul Woods Chief Finance Officer 07446936840 paul.woods@northeastca.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			<p>We are expecting to bring project approvals in connection with the following schemes –</p> <ul style="list-style-type: none"> •Follingsby Enterprise Zone – Infrastructure Works •Integra 61 Site - LGF Grant, NEIF Loan and an associated transfer of LGF and EZ funding on the JADE EZ site. •North East Institute for Mining and Mechanical Engineers - Capital Loan approval from the NEIF •Swans Phase 3 site building demolition works supported by LGF grant. 				

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			•Update on the 5G national pilot bid to Government and potential funding implications.				
B. Transport North East Committee (TNEC)							
TN 2 (a)	18 October 2018 (Standing Item)	TNEC	Capital Programme Monitoring Report This standing item provides the Transport North East Committee with a progress update in relation to delivery of the transport related capital programme. This is a requirement of the NECA constitution and is a function delegated to TNEC.	Corporate issue	Consultation on the capital programme with Treasurers and Chief Executives, and capital programme agreed in April 2016.	NECA Budget and Capital Programme	Katy Laing Principal Accountant 0191 3387428 katherine.laing@northeastca.gov.uk
TN 2 (b)	18 October 2018	TNEC	Revenue Budget Monitoring Report	Corporate issue	Consultation on the budget with Treasurers and Chief	NECA Budget and Capital Programme	Katy Laing Principal Accountant 0191 3387428

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
	(Standing Item)		This standing item provides the Transport North East Committee with a progress update in relation to how the transport related budgets for the delivery agencies are being managed. This is a requirement of the NECA constitution and is a function delegated to TNEC.		Executives, and budget agreed by Leadership Board.		katherine.laing@northeastca.gov.uk
TN 2 (c)	18 October 2018 (Standing Item)	TNEC	Transport for the North This standing item is intended to provide a regular update on the programme to improve the transport network in Northern England and thereby promote economic growth	Transport	As required	The Northern Transport Strategy Spring 2016 report published at: http://www.transportforthenorth.com/pdfs/The-Northern-Transport-Strategy-	Tobyn Hughes Managing Director Transport Operations (0191) 2033246 tobyn.hughes@nexus.org.uk

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
						<u>Spring-2016-Report.PDF</u>	
C. Transport North East (Tyne and Wear) Sub-Committee (TW)							
TW 1 (a)	12 July 2018 (Standing Item)	TWSC	Tyne Tunnel Update (confidential report) The report will provide an update for Members on the operation and management of the Tyne Tunnel.	Transport	To be confirmed	Held by the Contact Officer	Alastair Swan Principal Engineer 0191 211 5931 alastair.swan@newcastle.gov.uk
TW 1 (b)	12 July 2018 (Standing Item)	TWSC	Monitoring Nexus' Performance and Metro Performance Update The purpose of these reports is to advise TWSC of Nexus' corporate performance in respect of service and project delivery such that the Sub-	Transport	The report has been prepared through Nexus' internal reporting arrangements.	Held by the Contact Officer	Tobyn Hughes Managing Director Transport Operations (0191) 2033246 Tobyn.hughes@nexus.org.uk

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			<p>Committee exercises the monitoring and oversight functions in respect of Nexus activities delegated to it from the NECA Leadership Board.</p> <p>The report also reports on the measures in place to improve Metro performance.</p>				
TW 1 (c)	12 July 2018 (Standing Item)	TWSC	<p>Update on Nexus Corporate Risks 2018/19</p> <p>The purpose of this report is to provide an update to TWSC of the strategic risks identified by Nexus for the year.</p>	Transport	The report has been prepared through Nexus internal reporting arrangements.	Held by the Contact Officer	<p>Tobyn Hughes Managing Director Transport Operations (0191) 2033246 Tobyn.hughes@nexus.org.uk</p>
TW 1 (d)	12 July 2018 (Standing Item)	TWSC	<p>Monitoring Nexus' Performance 2017/18</p> <p>The purpose of the report will be to</p>	Transport	The report has been prepared through Nexus' internal reporting	Held by the Contact Officer	<p>Tobyn Hughes Managing Director Transport Operations (0191) 2033246</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			provide TWSC with a general review of Nexus' performance against its Corporate Business Plan for 2017/18.		arrangements.		Tobyn.hughes@nexus.org.uk
D. Audit and Standards Committee (previously Governance Committee)							
AS 1 (a)	30 July 2018 (Standing Item)	Audit and Standards Committee	Internal Audit Progress Report and Annual Report Members are requested to note the internal audit activity to date.	Corporate issue	Head of Paid Service, Monitoring Officer and Chief Finance Officer	Final Internal Audit Reports & Internal Audit Plan	Philip Slater Audit, Risk and Insurance Service Manager 0191 2116511 Philip.slater@newcastle.gov.uk
AS 1 (b)	30 July 2018 (Standing Item)	Audit and Standards Committee	External Audit Progress Update This report provides an update for information on the work of Mazars, the External Auditors to the Combined Authority.	Corporate Issue	Consultation with statutory officers and Governance Committee chair.	None.	Jim Dafter External Audit Senior Manager, Mazars jim.dafter@mazars.co.uk Katy Laing Principal Accountant 0191 3387428

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
							katherine.laing@northeastca.gov.uk
AS 1 (c)	30 July 2018 (Standing Item)	Audit and Standards Committee	Strategic Risks and Opportunities Register The report is for Governance Committee member's information	Corporate Issue	Head of Paid Service, Monitoring Officer and Chief Finance Officer	Risk Management Strategy	Philip Slater Audit, Risk and Insurance Service Manager 0191 2116511 Philip.slater@newcastle.gov.uk
AS 1 (d)	30 July 2018	Audit and Standards Committee	Annual Governance Statement 2017/18 The report is for members information	Corporate Issue	Head of Paid Service, Monitoring Officer and Chief Finance Officer	Guidance on the production of an Annual Governance Statement	Philip Slater Audit, Risk and Insurance Service Manager 0191 2116511 Philip.slater@newcastle.gov.uk
AS 1 (e)	30 July 2018	Audit and Standards Committee	Statement of Accounts 2017/18 The Committee is recommended to review and comment on the Statement of Accounts for 2017/18 and recommend them	Corporate Issue	Consultation with statutory officers and with Audit and Standards Committee Chair	NECA Statement of Accounts 2017/18	Paul Woods Chief Finance Officer 07446936840 paul.woods@northeastca.gov.uk Katherine Laing Principal Accountant 0191 2116065 katherine.laing@northeastca.gov.uk

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			to the Leadership Board for approval.				heastca.gov.uk
AS 1 (f)	30 July 2018	Audit and Standards Committee	<p>General Data Protection Regulation (GDPR) and the impact on NECA's Information Governance Policy – Update</p> <p>This report updates the Audit and Standards Committee on the General Data Protection Regulation (GDPR) implemented nationally on 25 May 2018. The report also provides an update relating to the processes the North East Combined Authority is using and the actions taken to meet these requirements.</p>	Corporate Issue	Project Team, Head of Paid Service, Chief Finance Officer, NECA Policy Officer	GDPR Regulation	<p>Peter Judge Monitoring Officer 0191 338 7455 peter.judge@northeastca.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
AS 1 (g)	30 July 2018	Audit and Standards Committee	Constitutional changes proposed to Leadership Board – Feedback Report The Audit and Standards Committee are asked to note the report.	Corporate Issue	Leadership Board and earlier meetings of the Governance Committee	None	Peter Judge Monitoring Officer 0191 338 7455 peter.judge@northeastca.gov.uk
E. Audit and Standards Sub-Committee (previously Governance Sub-Committee)							
There are no meetings currently scheduled.							
F. Overview and Scrutiny Committee							
OS 1 (a)	16 July 2018 (Standing Item)	Overview and Scrutiny Committee	NECA Forward Plan and Scrutiny Work Programme To receive the latest version of the Forward Plan and annual work programme	Corporate Issue	The Chair of the Committee	Held by the Contact Officers	Nicola Laverick Policy and Scrutiny Officer 07342069369 nicola.laverick@northeastca.gov.uk

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
OS 1 (b)	16 July 2018 (moved from 15 March 2018)	Overview and Scrutiny Committee	<p>Thematic Lead Update Report for Economic Development and Regeneration</p> <p>Overview and Scrutiny Committee are asked to receive this Thematic Update annual report for information and comment.</p> <p>The report will also provide an update for discussion (via an appendix) on the role of the North East England's Chamber of Commerce (NEECC) and their role in supporting the delivery of key activities and the commissioning work of DIT.</p>	Economic Development and Regeneration	Consultation with Officers and Thematic Lead	None	<p>Sarah James Employment and Skills Manager 0191 424 7396 sarah.james@southtyneside.gov.uk</p>

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
OS 1 (c)	16 July 2018	Overview and Scrutiny Committee	Digital Connectivity Update Report Report to be provided to the Overview and Scrutiny Committee for comment and information	Corporate Issue	Consultation has taken place with Overview and Scrutiny Members and Statutory Officers	None	Steve Smith Digital Design and Delivery Manager 01670 622 928 / 07904 114 518 steve.smith@northumberland.gov.uk
G. Economic Development and Regeneration Advisory Board (EDRAB)							
ED 1 (a)	24 July 2018 (Standing Item)	EDRAB	Economic Development and Regeneration – Progress Update Members are requested to receive an update on, and provide views in relation to, progress within the key areas of the Economic Development and Regeneration theme. The update will include	Economic Development and Regeneration	NECA Elected Members and officers; and NELEP Members and officers	North East Strategic Economic Plan - More and Better Jobs	Sarah McMillan Corporate Lead Economic Strategy and Skills 0191 424 7948 sarah.mcmillan@southtyneside.gov.uk

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			progress on the development of the regional Inward Investment function and Regional Investment Plan.				
ED 1 (b)	24 July 2018	EDRAB	Leaving the European Union: North East Brexit Group Report Members are requested to note and provide views on the Leaving the European Union	Economic Development and Regeneration	NECA Elected Members and officers; NELEP Members and Officers	NELEP news article	Sarah McMillan Corporate Lead Economic Strategy and Skills 0191 424 7948 sarah.mcmillan@southtyneside.gov.uk
ED 1 (c)	24 July 2018	EDRAB	North East Fund Members are requested to note and provide views on the progress of the North East Fund	Economic Development and Regeneration	NECA Elected Members and officers; NELEP Members and Officers	North East Fund website	Sarah McMillan Corporate Lead Economic Strategy and Skills 0191 424 7948 sarah.mcmillan@southtyneside.gov.uk
F. Officer Delegated Decisions							

Reference Number	Decision to be made on or within 60 days of	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
DD 87 NEW	3 August 2018	Monitoring Officer	<p>Exercise of delegated authority to approve and publish the amended NECA Constitution</p> <p>To approve and publish the amended Constitution reflecting the changes agreed by the Leadership Board on 19 June 2018 and determined by the Monitoring Officer</p>	Corporate Issue	Leadership Board and audit and Standards Committee have been consulted	Leadership Board paper 19 June 2018 (Item 10) Governance (now Audit and Standards) Committee paper 3 April 2018	Peter Judge Monitoring Officer 0191 338 7455 peter.judge@northeastca.gov.uk

Overview and Scrutiny Work Programme 2018/2019

Standing Items for each Committee Meeting:

- Declaration of Interest
- Minutes of Previous Meeting
- NECA Forward Plan and Work Programme Report

Source of work programme and items of importance:

The Overview and Scrutiny Committee obtains work programme items from the following sources:

- Items submitted by Members of the Committee (and including items referred by other members of the Combined Authority);
- Suggestions from Nicola Laverick, Policy and Scrutiny Officer or NECA Chief Officers; Helen Golightly, Peter Judge and Paul Woods
- The Budget and Policy Framework; Transport Plan and Strategic Economic Plan
- The Forward Plan;
- The three Thematic Leads; Cllr Malcolm (Economic Development and Regeneration), Cllr Jackson (Employability and Inclusion) and Cllr Forbes (Transport and Digital Connectivity),
- Evidence for any policy review work of relevance to NECA

Planned items:

Items	Reason for item	Lead Officer
Committee: 15th March 2018, 10.00 am: Durham Council		
Employability and Inclusion Thematic Update	Thematic Lead Update	Cllr Jackson
Durham Youth Employment Initiative	Requested by Members at 28 th March 2017 Committee	Linda Bailey
Refurbishment of the Tyne Pedestrian Tunnel and Cyclist Tunnel	Requested update by Members at 13 th September 2017 Committee	Alastair Swann
Decision Making Protocol	Updated Protocol agreed to return to March Committee at February 2018 meeting	Peter Judge/Nicola Laverick
Committee: 16th July 2018, 10.00 am: Durham Council		
Economic Development and Regeneration Thematic Update & Appendix: Update on NEECC and relationship with DIT	Thematic Lead Update	Cllr Malcolm
Digital Connectivity Update Report	Requested by Members at 5 th February 2018 Committee to explore digital connectivity in rural areas	Steve Smith
Committee: 20 September 2018 – 10 am: Gateshead Council		
Major Project's Report	Requested by Members at 15 th March 2018 to give an overview of NECA major projects	Paul Woods
Monitoring Nexus Performance	Yearly update to the Committee	Tobyn Hughes

Committee: 20 December 2018 – 10am: Venue tbc		
NECA Budget Proposals	Yearly update	Paul Woods
Committee: 14 March 2019 – 10am: Sunderland Council		

Pending Items 2018/2019 (Dates to be arranged at the appropriate time):

Item	Comment
North of Tyne Combined Authority	Members agreed to keep a focus on the work programme on any implications for NECA
Governance Arrangements - North of Tyne and NECA – Impact on Scrutiny	Members agreed to keep a focus on the work programme on any implications for NECA
Strategic Economic Plan	Yearly Update for 2018-2019 Work Programme
Thematic Lead Updates	Yearly Update for 2018-2019 Work Programme



NECA Decision Making

Annual Report to the Overview and Scrutiny Committee

Prepared for the Overview and Scrutiny Committee on:	16 July 2018
Review date:	July 2019
Prepared by:	Nicola Laverick Policy and Scrutiny Officer

1. Introduction

This Report provides an annual review of the Overview and Scrutiny Committee's work programme and actions for 2017-2018.

It also provides an update of the types of decisions that have been made by the Combined Authority, that support the principles of the Decision Making Protocol adopted by the Committee in March 2018.

2. Work Programme 2017-2018

The below provides a summary of the actions and work that the Committee has undertaken during the 2017-2018 period.

Required Reports Received for Information	Date
Thematic Lead Reports for Transport	February 2018
Thematic Lead Report for Employability and Inclusion	March 2018
Thematic Lead Report for Economic Development and Regeneration	July 2018

Other areas of note / work undertaken by the Committee	Date
Adoption of the Terms of Reference for the Committee and Sub Committee	July 2017
Workshop to discuss NECA, Review the conclusions of the CLG Inquiry and discuss the Decision Making and Scrutiny Work Programme	January 2018
Adoption of the Decision Making Protocol	March 2018
Adoption and Monitoring of the Work Programme 2017-2018	July 2017 and at each meeting

Reports to the Committee – for the purpose of adding value and comment in accordance with the Work Programme	Date
Transport Plan for the North East	July 2018
NECA Budget Consultation 2018/2019	September 2018
North East Strategic Economic Plan	September 2018
Monitoring Nexus Performance	December 2018

3. Types of Decisions

Key Decisions

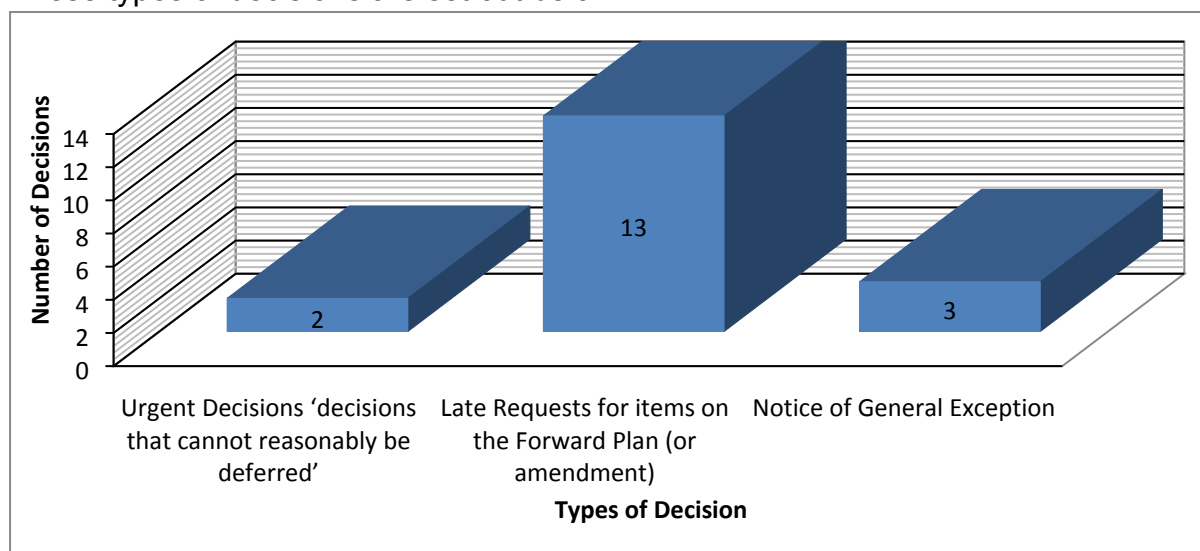
Key Decisions are those which are most significant to NECA. A snapshot is provided below on the key decisions made by the Leadership Board:

Type	Number made by the Leadership Board (June 2017 - June 2018)
Key Decisions (Subject to Call In)	59

General Exceptions and Cases of Special Urgency

There have been occasions when either publication of a key decision for 28 days before *'is impracticable'* (Section 12 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 *or where* an Urgent Decision is needed and *'cannot reasonably be deferred'* (Section 13, of the *same Order*),

In addition, 13 requests were made for items to be amended on the Forward Plan or added to it later than the 28 day notice period (before new systems were introduced). These types of decisions are set out below:



Procedures for amendment and addition to the Forward Plan have been tightened (April 2018) and as a result the Notice of General Exception has been established in accordance with the Decision Making Protocol.

It is intended that the process of the Notice of General Exception will provide not only an evidence base for the reasons these were 'impracticable' to include on the Forward Plan for 28 days, it will now also require the Monitoring Officer's and Head

of Paid Services endorsement that the circumstances require the application for a short notice to me made.

Delegated Decisions

Type	No
Delegated Decisions	16

Delegated Decisions are those whereby the Head of Paid Service, Monitoring Officer, Chief Finance Officer or another officer has been delegated the authority to make a final decision. This delegation is provided in two ways by Constitutional Delegation and by Specific Delegation from the decision making body.

4. Policy and Scrutiny Officer – Summary of Key Observations

It is positive to reflect that the Overview and Scrutiny Committee has and continues to develop a clear plan for the delivery of its work. A workshop was held with Members earlier this year to discuss NECA and the role of the Committee.

The recommendations from the Communities and Local Government inquiry into the effectiveness of Scrutiny revealed that NECA was following many good practices, with opportunities to develop these further.

The adoption of the Decision Making Protocol by the Committee is an example of developing NECA's practices regarding decision making. The Protocol for Members and Officers ensures that a clear and accountable framework is in place. Training will take place with NECA Officers in summer 2018 to ensure that this is understood by all.

There has also been some improvement in the special urgency procedure process. This is now supported by documents that require completion by Officers that demonstrate the urgency requirements; this is also published on the NECA website for openness and transparency in accordance with Part 3 (Section 13) of The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

Further improvement regarding the use of the Forward Plan is required. It is recommended that this is captured as part of the training to Officers to ensure that a forward thinking and planning approach is taken to decisions, unless 'impracticable' in accordance with the Decision Making Protocol.

It is important that regular monitoring and review now takes place regarding the procedures to ensure that the appropriate standards are being met. This is something that I will continue to do on behalf of the Committee, in consultation with

the Monitoring Officer to ensure that the processes for NECA not only remain effective but clear and transparent.

5. Next Review

The report will be updated annually and provided to the Committee for information. It will continue to provide a mechanism for formal accountability and improvement to the Combined Authority.

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NECA Decision Making Protocol

Adopted by the Overview and Scrutiny Committee on:	15 March 2018
Implemented with the consent of the Leadership Board on:	19 June 2018
Review date:	June 2019

1. Introduction

- 1.1 This Protocol explores the types of decisions and its related processes within the decision making bodies of the North East Combined Authority (NECA). It also describes the Overview and Scrutiny Committee's role regarding decision making.
- 1.2 The Protocol is for both Members and Officers to ensure that a clear and accountable process is in place regarding decision making which is consistently understood and applied. This Protocol will be reviewed on an annual basis or at an appropriate point relevant to any changes to NECA's governance and decision making structure.
- 1.3 The Protocol does not change the roles and responsibilities of the Overview and Scrutiny Committee as set out in Section 3.9 of the Constitution and simply sets out how the Committee will discharge aspects of its role.

2. The role of the Overview and Scrutiny Committee

- 2.1 The Overview and Scrutiny Committee is an important part of NECA decision making and is responsible for holding the Combined Authority to account by:
 - a) Testing and challenging decisions
 - b) Being a forum for public and political scrutiny
 - c) Providing public confidence in decisions about the use of public assets and money
 - d) Pausing decisions to allow for further consideration
 - e) Engaging members of the public
- 2.2 One of the main functions of the Committee is the review and scrutiny of 'Key Decisions' made by the North East Leadership Board (NELB), the Transport North East Committee (TNEC), Transport North East (Tyne and Wear) Sub-Committee (TWSC) and Officers of NECA, (the North East LEP) and NEXUS.
- 2.3 The functions formerly falling to the Tyne and Wear Integrated Transport Authority are discharged by the Tyne and Wear Sub Committee (TWSC). The NECA Constitution defines TWSC Committee as overseeing the activities and performance of NEXUS. In accordance with section 101 of the Local Government Act 1972 and the NECA Order, Nexus is treated as an officer of NECA.
- 2.4 The role as defined by Schedule 5A of the Local Democracy, Economic Development and Construction Act 2009 is to:
 - a) To review or scrutinise decisions made, or any other action taken in connection with the discharge of functions
 - b) Make reports or recommendations to the authority with the discharge of functions
 - c) To make reports or recommendations to the authority on matters that affect the authority's area or the inhabitants of the area.

- 2.5 The Overview and Scrutiny Committee use the NECA 28 day Forward Plan as the main way that members can 'keep in view' those matters and decisions they would like to focus their attention on.

Creating a productive culture

- 2.5 The recent CLG Effectiveness of Overview and Scrutiny Report highlighted the importance of creating a culture whereby scrutiny is recognised as playing a productive part in the decision making process. This Protocol sets out the Committee's role that makes up part of the overall decision making that encompasses NECA; it is a mechanism that allows outcomes to be continuously improved in creating an overall productive culture.
- 2.6 In the support of the Committees objectives and purposes, this Protocol sets out types of decisions which can be of two main types: 'Key' or 'Non Key'. There is a standard process for making key decisions but in cases of urgency, key decisions may also be made using the urgent procedure. This Protocol explains the Committee's definition of Key Decisions within the relevant legal framework.

3. The role of the Scrutiny Officer

- 3.1 The function of the Scrutiny Officer as defined by the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committee) Order 2017:
- a) to promote the role of the Overview and Scrutiny Committee;
 - b) to provide support and guidance to the Overview and Scrutiny Committee and its members;
 - c) to provide support and guidance to members of the Combined Authority in relation to the functions of the Overview and Scrutiny Committee
- 3.2 The Scrutiny Officer appointed at NECA is an independent full-time resource (not employed by a constituent Council) who is responsible for providing advice and guidance to Members and Officers to ensure an accountable and transparent decision making process. The dedicated resource is one that is seen to enhance the role of Overview and Scrutiny in the Combined Authority.
- 3.3 The Scrutiny Officer will ensure that items on the NECA Forward Plan and issues of importance are communicated to the Chair and Vice Chair of the Overview and Scrutiny Committee, and to Members when deciding on the work programming for the Committee.
- 3.4 This will ensure that the Committee's role in reviewing decisions that can add value can be maintained by the Scrutiny Officer taking a proactive approach in forward planning and working with the Chair and Vice Chair.

4. North East Combined Authority - Decision Making

- 4.1 Decision making is a central part of the North East Combined Authority. Decisions are made at a number of levels by Statutory Officers or the NECA Leadership Board, or any committee that has final decision making authority to act in place of the Leadership Board.

The Decision Making structure

- 4.2 The decision making structure of the North East Combined Authority and the North East Local Enterprise Partnership (NECA as the accountable body) can be described as a **bi-cameral structure**.

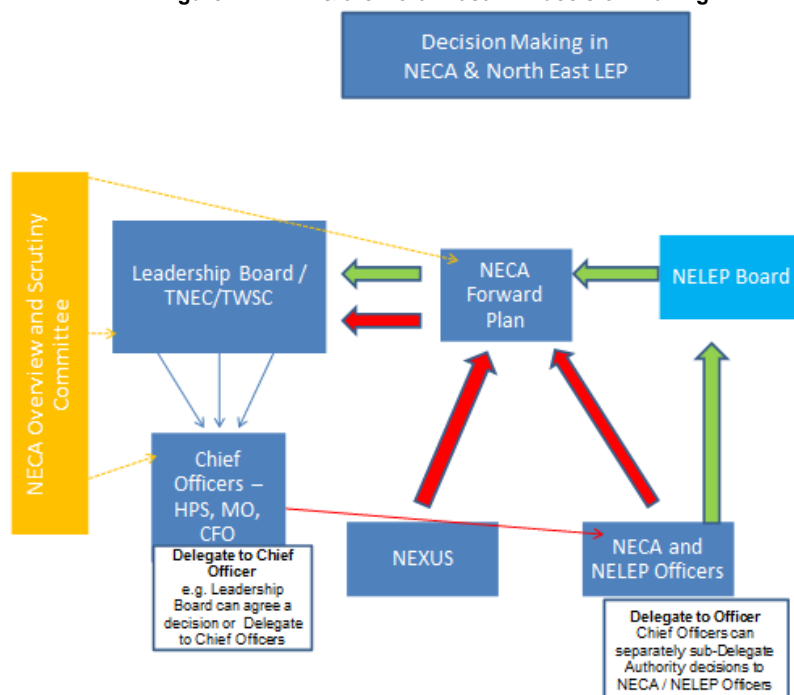
The bi-cameral structure

For example: The bi-cameral structure means that a decision in relation to funds from the North East LEP, and under its control, is first made through the LEP governance structure and, after that, it must be confirmed by the NECA governance structure.

This ensures appropriate transparency and responsibility for decision making. As the decision passes from the LEP governance 'side' into the NECA governance 'side' the decisions become subject to prior notice on the NECA Forward Plan, call in rules and other transparency requirements which ensure democratic and public accountability.

- 4.3 Figure 1 below, provides an overview of the decision making arrangements of NECA and reflects the bi-cameral structure of both the North East LEP and NECA. The role of the Overview and Scrutiny Committee is highlighted on the figure and is a key part of decision making for the North East Combined Authority.

Figure 1: NECA & the North East LEP decision making



Types of NECA Decisions

- 4.4 This Protocol adopts a description of the North East Combined Authority's decision making as having two different types of decisions:
- a) Key Decisions
 - b) Non Key Decisions
- 4.5 This Protocol will explain these types of decision in more detail.

5. Key Decisions

The importance of Key Decisions

- 5.1 The Overview and Scrutiny Committee - in discharging its role and purpose - wishes to focus its attention and the attention of decision makers at those decisions which are most important to the authority and the public. Accordingly, Key Decisions are those which are most significant to NECA.
- 5.2 The mechanism in the legislation and adopted throughout this Protocol ensures the public and the Overview and Scrutiny Committee have advance notice of important matters that need to be considered.
- 5.3 The Authority is required to maintain a 28 day Forward Plan and to publish it on its website. The Overview and Scrutiny Committee consider these matters by reviewing the NECA 28 day Forward Plan at each Committee, which allows members to review the key decisions being made. Accordingly, the Forward Plan is the Committee's main tool for anticipating and discharging its scrutiny role. This is supplemented by its periodic Forward Planning and Annual Work Programming approach.

Key Decisions Definition

The Overview and Scrutiny Committee adopt a definition of Key Decisions as decisions which:

- a) Are made by the NECA Leadership Board, or any committee that has final decision making authority to act in place of the Leadership Board except for the decisions listed in the schedule
- b) Could have been made by a body at (a) above but which have been delegated to an Officer(s) or another Committee
- c) Are made at any level of the organisation which set the Authority's policy or Strategy across the NECA area or a defined sub area (such as Tyne and Wear)
- d) Has a policy impact or effect on persons living or working within two or more wards e.g. Transport Policies/Plans
- e) Creates a commitment for capital expenditure with a value greater than £1m
- f) Creates a commitment for a revenue expenditure with a value greater than £250k
- g) Any matter which a Chief Officer believes might have repercussions across the NECA area or significant adverse reputational implications for the Authority (NECA)

Schedule of decisions which are made by the Leadership Board but are not key decisions:

- a) a decision to appoint a Chief Officer provided that the appointment has been openly advertised and the appointment is recommended by a selection panel, appointed by the Leadership Board, or by a process approved by the Leadership Board
- b) a decision on the selection or appointment the Chair or Vice Chair of the Overview and Scrutiny Committee, or any other Committee or Sub Committee provided any public appointment is openly advertised and managed, as set out above (a)
- c) The designation of NECA's Head of Paid Service (3.1 A14)
- d) The appointment of co-opted members to any of its joint committees, committees or sub committees (3.1 B26)
- e) Agreement to the establishment of working groups (3.1 B29)
- f) The designation of thematic leads (3.1 B30)

Please note that inclusion on this list does not prevent the Overview and Scrutiny Committee from examining any issue. This schedule only lists Leadership Board decisions which are not considered Key Decisions by the Overview and Scrutiny Committee.

Consequences of a Key Decision

- 5.4 The Overview and Scrutiny Committee adopts this definition of Key Decision on the basis that the Authority agrees that it will not seek to implement any Key Decision within 5 working day of the decision being made and a decision notice being published, and circulated to the Committee members. This will allow the Committee members opportunity to Call-In the decision should they wish to.
- 5.5 A decision which is Non Key can be implemented by the Authority immediately.
- 5.6 The Overview and Scrutiny Committee also expect that written reasons will be kept for all but the most minor decisions in order that if the Committee wishes to examine any decision made in the future, there is evidence of who made it and the reasons why.

Call in Arrangements: Key Decisions

- 5.7 Only Key Decisions are subject to call-in by the NECA Overview and Scrutiny Committee and cannot be implemented until the Call-In process (5 days) has elapsed. Examples of Key / Non Key Decisions are attached as **Appendix 1**.
- 5.8 The process for Call-In is shown in **Appendix 2 (flow chart of Call-In)**. A total of four members of the Committee can Call-In a decision; using a **Call In Decision form (Appendix 3)** that will be sent to the Monitoring Officer.
- 5.9 Democratic Services Officers will notify members of the Overview and Scrutiny Committee when decisions are made and will provide the Committee with the Decision record and report(s), the date of publication, and the deadline date and deadline time for Call-In.

The Call-In Process

If a decision is not called in:

- 5.10 On the expiry of **5 working days** after the Key Decision is published and Scrutiny Committee members notified, Democratic Services Officers will send confirmation to the decision maker and report author that the decision has come into force and may be implemented.

If a decision is called in:

- 5.11 Democratic Services officers will notify the decision maker and report author and a meeting of the Overview and Scrutiny Call-In Sub-Committee will be called within **14 calendar days** of the decision to call-in. Decisions cannot be implemented during this time.

- 5.12 If the Call-In Sub-Committee does not meet in the period set out above, or does meet but does not refer the matter back to the decision making person or body, Democratic Services officers will notify the decision maker and the decision can then be implemented.
- 5.13 If having considered the decision the Call-In Sub-Committee is still concerned, they will set out the nature of their concerns in writing and refer it back to the decision making body or person within one working day. The decision maker must then hold a meeting to reconsider the decision within **10 working days** of the referral being received. The decision making body or person will choose whether to amend the decision or not before reaching a final decision and implementing the decision.

6 'Non Key' Decisions

Understanding Non Key Decisions

- 6.1 Non Key Decisions are usually those that are operational and can be made on a day to day basis. These decisions are not subject to Call-In.

Examples of Non Key Decisions

- 6.2 These are some examples of Non Key Decisions:
- a) Operational Decisions e.g. procurement decisions, HR decisions, Recruitment, Expenditure within budget, Grant variations within approved budget
 - b) Has an Internal Policy impact across NECA staff at an operational level
 - c) Decisions that need to be implemented immediately
 - d) Having a capital expenditure less than £1m
 - e) Having a revenue expenditure less than £250k
- 6.3 Non Key Decisions tend to be those that are taken at an operational level and less than the expenditure requirements noted above.

7 General Exceptions and Cases of Special Urgency

Definition

- 7.1 There are occasions when either:
- A. An Urgent Decision may need to be taken *and 'cannot reasonably be deferred'* (Section 13, Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017.

B. Where publication of a key decision for 28 days before *'is impracticable'* (Section 12 of the same Order).

Urgent Decision Definition

7.2 The definition of this is described below:

- a) The decision to seek special consent for urgent decisions will be taken by the Head of Paid Service in consultation with the Monitoring Officer
- b) The report author will consult with the Chair
- c) and Vice Chair of NECA, and the Chair or Vice Chair of the Overview and Scrutiny Committee
- d) Urgent Decisions should be the exception, and only in genuinely urgent situation.

The Request for Special Urgency and Urgent Decision process

7.3 The Author / Officer will initially email Statutory Officers with a request for Special Urgency. Using the 'Request for Special Urgency Report' (Appendix 4) and ask if they consent to the request being emailed as below to:

The report requests the consent of:

- a) The Chair (and or Vice Chair in their absence) of the Overview and Scrutiny Committee under Paragraph 13 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 (the 'Order'); and
- b) The Chair and Vice-Chairs of the North East Combined Authority under sections 32 and 33 of the Leadership Board Rules of Procedure set out in Part 4.1 of the NECA Constitution.

Note: The Chair (and or Vice Chair in their absence) of the Overview and Scrutiny Committee and the Chair and Vice-Chairs of NECA are each requested to consent to permit the decision to be made without it being entered onto the Combined Authorities Forward Plan as a key decision.

7.4 The request is made on the basis that it:

- a) It is impractical to include the matter on the NECA Forward Plan for a period of 28 clear days before the decision is made, and
- b) Consent or refusal should be communicated to the Monitoring Officer as soon as possible following due consideration.

- 7.5 Following the consent of Statutory Officers the Author/Officer will email the Request for Special Urgency Report as noted in 7.2 (a) and (b) above.
- 7.6 The Chair (and or Vice Chair in their absence) of the Overview and Scrutiny Committee, then the Chair and Vice Chairs of NECA may decide either (1) agreement to the request or (2) rejection of the request:

Following Agreement to the request:

Following agreement and consent given as 7.2 (a) and (b) to the request:

- a) The 'Request for Special Urgency Report' will be published on the NECA Website.
- b) The Author/Officer will then draft the Urgent Decision Report and Urgent Decision Record
- c) The Urgent Decision Report and Urgent Decision Record will be circulated to the Head of Paid Service for sign off, and circulated to the Chief Finance Officer and Monitoring Officer *(if this was stipulated in the original request e.g. a report was sent to the Leadership Board previously giving a delegated authority to the Head of Paid Service, in consultation with the Chief Finance Officer and the Monitoring Officer)*
- d) The signed Urgent Decision Report and Urgent Decision Record will be emailed to the Report Author

The Decision can now be implemented

The Report author will then:

- a) Ensure that the Decision Report and Record, along with the Request for Urgency Report is returned to the Democratic Support Officer within 2 working days (or asap) of the decision being made.
- b) Email a copy of all of approval emails of The Chair (and or Vice Chair in their absence) of the Overview and Scrutiny Committee, and the Chair and Vice Chairs of NECA consenting to the Request for Urgency to the Democratic Support Officer
- c) The Democratic Support Officer is to publish the Decision Report, Decision Record and Request for Special Urgency Report within 3 working days of the decision being made

Rejection of the Request

- The Chair (and or Vice Chair in their absence) of the Overview and Scrutiny can reject the request for Special Urgency
- They can ask for further information to be supplied

Notice of General Exception

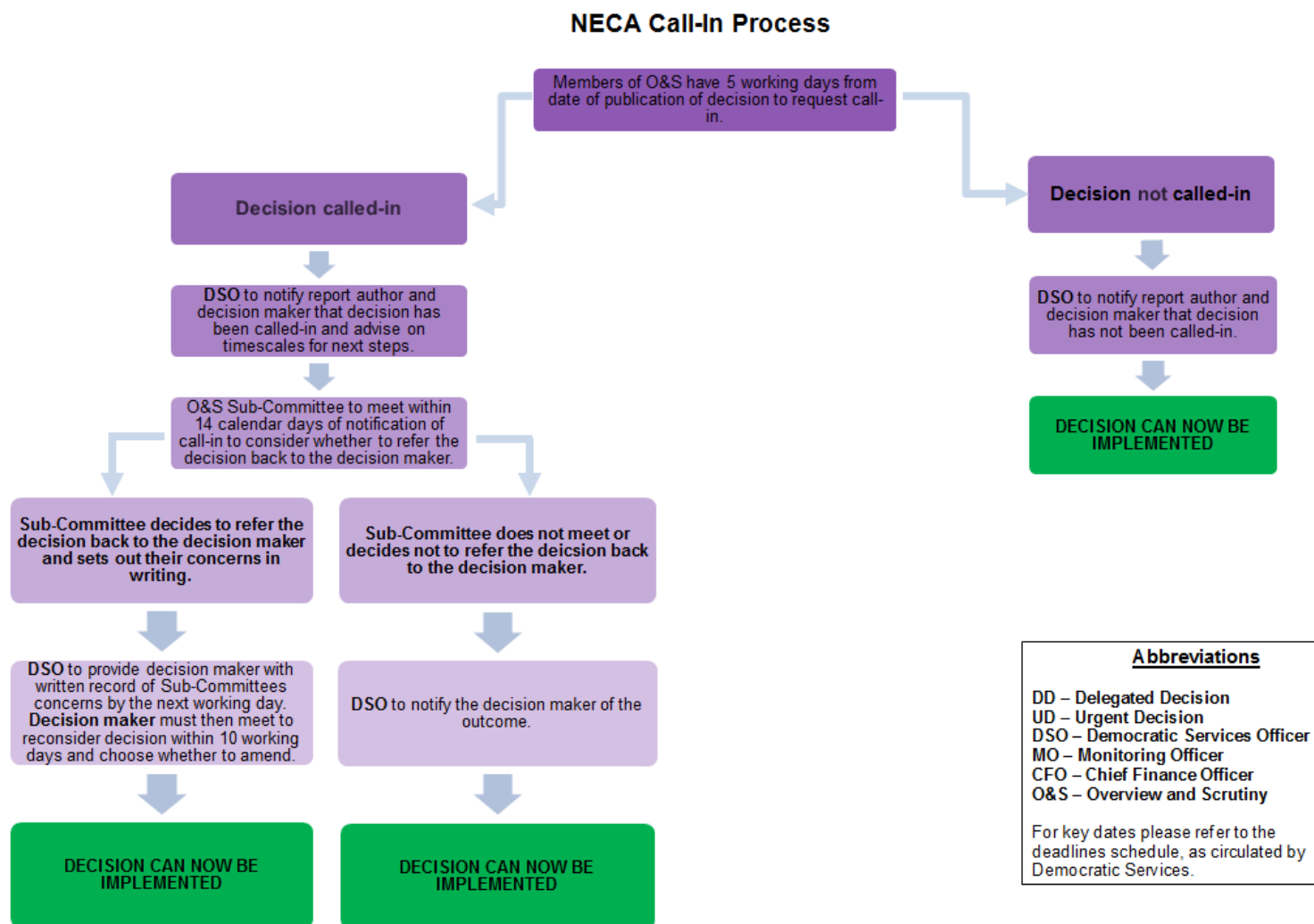
- 7.7 The Notice of General Exception will be used to inform the Chair of the Overview and Scrutiny Committee where publication of a key decision is 'impracticable' to include on the NECA Forward Plan.
- 7.8 Once the Notice has been shared with the Chair as set out in 7.7 the Combined Authority will make available on the NECA website the notice setting out the reasons why compliance with Article 11 (Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 is not possible and the Key Decision is not able to be published on the NECA website for at least 28 clear days.

Appendices

- | | |
|---------------------|---|
| Appendix 1 - | Key Decision Examples |
| Appendix 2 - | Call In Flow Chart |
| Appendix 3 - | Call in Decision Form |
| Appendix 4 - | Notice of General Exception Request (it is impracticable to enter onto the Forward Plan for 28 days) |
| Appendix 5 - | Request for Special Urgency (the decision is urgent and cannot reasonably be deferred or included on the Forward Plan) |

Appendix 1: Key Decision Examples

Examples of Decisions	Key Decision <i>(Decision can be called in)</i>	Non Key Decision
HR Updated Policy		✓
Update of Strategic Plans – e.g. Transport Plan or Strategic Economic Plan	✓	
Recruitment of a Chair /Vice Chair of Committee		✓
Project approval with a capital expenditure greater than £1m	✓	
A Project having a revenue expenditure less than £250k		✓



Appendix 2: Call In Flow Chart

NORTH EAST COMBINED AUTHORITY

Call-In Request Form

This form should be submitted to the NECA Monitoring Officer by no later than 5pm on the day of the call-in deadline, which is the fifth working day after the decision publication date. The completed form should be submitted by email (to peter.judge@northeastca.gov.uk).

The call-in process is not designed to act as a brake, but as a check and balance within the decision making process. Members will wish to make measured use of the call-in function, whilst ensuring that the day to day business and implementation of decisions can be carried out efficiently and effectively.

A call-in request can be made by any four members of the NECA Overview and Scrutiny Committee.

Call in requests cannot be made in respect of:

- Decisions already called-in
- Urgent decisions (as defined under the Overview and Scrutiny Committee Rules of Procedure at Part 4.3 of the NECA Constitution)

The call-in procedure should not be used:

- To deal with individual complaints or concerns
- As a means of requesting information
- In respect of decisions made by external bodies

Title of decision:		
Date of decision:		
Decision maker:		
On what basis is the decision challenged:	Insert ✓	Principles of Decision Making (as set out in the NECA Constitution – see appendix 1 for guidance notes)
		Proportionality (meaning that the action must be proportionate to the desired outcome).
		Absence or lack of consideration of professional advice.
		Inadequate consultation relating to the decision.
		Absence or lack of consideration of legal and/or financial implications.
		Decision making process has not been open and

		transparent.
		Viable alternatives have not been considered.
		Adequate consideration has not been given to: <ul style="list-style-type: none"> • Respect for human rights • Promotion of equality • Prevention of crime and disorder • Environment and sustainability • Risk management • The purpose of the Constitution
		Other, please specify:

What desired outcome/alternative course of action is sought:

Reasons for the call-in (provide supporting information under each heading outlining the grounds for the call-in, which explains why you believe the decision making process was flawed. Please limit this summary to no more than 1,000 words. Additional documents can be submitted if necessary):

SIGNATORIES: (please add additional rows as required)

1.
2.
3.
4.

Please note that in place of a signature an email from each signatory, confirming their support for the call-in request, must be submitted alongside the completed form.

OFFICE USE:

Received on behalf of Monitoring Officer by:

Name:

Date and time received:

NECA Principles of Decision Making – Part 1 paragraph 13.3 of the NECA Constitution.

All decisions of the NECA will be made in accordance with the following principles:

a) Proportionality (meaning that the action must be proportionate to the desired outcome).

For example, the level of resources which are deployed to implement a decision should be proportionate to the likely impact of that decision.

b) Consideration of professional advice from officers.

This does not mean that officer advice must always be followed. However, where advice has been offered and it is not followed the reason for not following the professional advice must be justified and recorded.

c) Due consultation.

It is expected that consultation will form part of NECA's decision making process. This does not mean that consultation must take place on every decision. The level of consultation required will be appropriate to the nature of the matter under consideration. The views of those likely to be affected by a decision should be sought wherever possible.

d) Consideration of the legal and financial implications.

This means that the legal consequences and financial implications of any decision must be considered and recorded.

e) A presumption in favour of openness.

The process through which all decisions are taken must reflect NECA's commitment to open government and the Access to Information Rules of Procedure (see the Access to Information paragraph of the Leadership Board Rules of Procedure (Part 4.1, paragraph 8)).

f) Consideration of available options and outlining reasons for decisions.

Decision makers should ensure that they are able to consider all reasonable and available options in respect of any decision they are to make. In doing so they must clearly explain why they have chosen one particular option and give reasons for rejecting others and this must be included in the formal record of their decision.

g) Respect for human rights.

All decisions must demonstrate that consideration has been given to any human rights implications under the Human Rights Act 1998 and follow the principles of natural justice. Consideration must also be given to any other principles or duties in associated areas which may in future arise.

h) Promoting equality.

Decision makers must have regard to the likely effect of the decision on individuals depending on age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation in accordance with the equality duty placed in public bodies by the Equalities Act 2010.

i) Preventing crime and disorder.

Decision makers must have regard to the likely impact of the decision on crime and disorder in the area, including anti-social and other behaviour adversely affecting the local environment and the misuse of drugs, alcohol and other substances in its area in accordance with the duty placed on the NECA by the Crime and Disorder Act 1998.

j) Environment and sustainability.

Consideration must be given to whether the decision will contribute to sustainable development i.e. development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

k) Risk management.

Decision makers must ensure the NECA's risk management processes have been applied to the matter and that any risks have been documented and will be appropriately managed.

l) The purpose of the Constitution.

Decision makers should have regard to the purpose of the Constitution set out in Part 1 paragraph 1 of the Constitution.

Appendix 4: Notice of General Exception Request

Notice to the Chair of Overview and Scrutiny Committee of a general exception to the publication of the intention to make a key decision

Executive Summary:

This notice informs the Chair of the Overview and Scrutiny Committee under Paragraph

DATE: Date

TO: David Taylor Gooby, Chair of the Overview and Scrutiny Committee

COPIES TO: Add details (Chair or the Vice Chairs of the NECA Leadership Board – in the Chair's absence)
Simon Hart, Vice Chair of the Overview and Scrutiny Committee

SUBJECT: Add subject details (brief description only)

NOTICE BY: Peter Judge, Monitoring Officer

12 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 that it is impracticable to include the above item on the NECA Forward Plan for a period of 28 clear days before the decision is made.

In accordance with Paragraph 12 (1(b) of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 a copy of this notice will be published on the North East Combined Authority website.

In accordance with section 31 of the Leadership Board Rules of Procedure set out in Part 4.1 of the NECA Constitution, this notice ensures that at least 5 clear days have elapsed between the agenda for the meeting, which includes the matter, being made available and the day of the meeting.

1. Background:

- 1.1 Where a decision maker intends to make a key decision, that decision must not be made until at least 28 clear days public notice has been given.

- 1.2 Where the publication of the intention to make a key decision is impracticable, that decision may only be made where the Chair of the Overview and Scrutiny Committee has been informed of the matter about which the decision is to be made, notice to the Chair has been made available for public inspection at the Council offices and published on the Council's website, and after 5 clear days have elapsed following the day on which notice to the Chair was made publicly available.
- 1.3 This notice is to inform the Chair of the Overview and Scrutiny Committee that it has been impracticable to give 28 clear days public notice of the item(s) set out below for the reasons set out below and that it is intended that the key decision(s) will be made on the date specified below.
- 1.4 Notice is also given to the public that the reasons why compliance with the requirements for publicity in connection with key decisions are impracticable are set out below.

2. Notice Details

2.1 Date of Decision required:

Data of decision

2.2 Matter in respect to which decision is to be made:

Name of the decision required

2.3 Description

Brief background of decision detail

2.4 Decision Maker

Name of the Board e.g. Leadership Board

2.5 Thematic Area

E.g. is this a corporate issue or Thematic issue

2.6 Consultation Process

Identify who has been involved in the consultation process

2.7 Background Documents

List all background documents

2.8 Reasons why impracticable to give 28 days clear notice

Detail the reasons why this was impracticable.

The NECA Head of Paid Service have examined the background and context of this decision and concur that it is impracticable for this decision to be placed on the Forward Plan 28 days before it is made.

Head of Paid Service:

Monitoring Officer:

Appendix 5: Request for Special Urgency



NORTH EAST COMBINED AUTHORITY

Request for Special Urgency

EXECUTIVE SUMMARY

The report requests the consent of:

1. The Chair of the Overview and Scrutiny Committee under Paragraph 13 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 (the ‘**Order**’); and
2. [The Chairs and Vice-Chairs of the North East Combined Authority under sections 32 and 33 of the Leadership Board Rules of Procedure set out in Part 4.1 of the NECA Constitution].

The request is made on the basis that it is impractical to include the matter on the NECA Forward Plan for a period of 28 clear days before the decision is made and the matter is urgent and cannot be reasonably be deferred (even for a period of 5 days). **Consent or refusal should be communicated to the Monitoring Officer as soon as possible following due consideration.**

OUTLINE:

The [NECA Head of Paid Service (identify decision maker)] will be invited to [(identify decision making authority and nature of decision) exercise authority contained in Part 3.7b (HPS4) of the Constitution to take operational action which is required as a matter of urgency in the interests of NECA, in consultation with the Chair of the Leadership Board, Monitoring Officer and Chief Finance Officer as far as is practicable.]

Provide an outline of the report and process.

The decision is urgent as if it were to be delayed until [Enter date of Leadership Board meeting] that the project would [enter the reasons for the delay].

The NECA Head of Paid Service have examined the background and context of this decision and concur that it is urgent and cannot reasonably be deferred. The need to make this decision urgently outweighs the general public interest in giving greater notice and transparency to the public in this case.

Head of Paid Service:

Monitoring Officer:

RECOMMENDATIONS:

The Chair of the Overview and Scrutiny Committee and the Chairs and Vice-Chairs of NECA are each requested to consent to permit the decision to be made without it being entered onto the Combined Authorities Forward Plan as a key decision.

NEXT STEPS:

In accordance with Paragraph 12 (1(b) and (c)) of the Order, a copy of this report will be published on the North East Combined Authority website indicating whether consent has been given.

Subsequent to the consent of the Chair of the Overview and Scrutiny Committee [**and the Chair or Vice-Chairs of the North East Combined Authority**], [(**identify the decision maker**) **the North East Combined Authority Head of Paid Service**] will be invited to make the decision.

Enter next steps regarding the project etc.

1. Background

1.1 **Enter full background information and details of the project.**

2. Proposals

2.1 **Enter details of the proposals.**

3. Reasons the Decision is Urgent and Cannot Reasonably be Deferred

3.1 Enter the full details the reason is urgent and cannot be deferred.

4. Alternative Options Available

4.1 The alternative option would be for the Chair of the Overview and Scrutiny and the Chairs and Vice-Chairs of NECA to decline to make the decision to enable the decision to be made without being put on the Forward Plan. The result would be a delay of 28 clear days, plus five days call-in period from publication of the decision notice.

5. Next Steps and Timetable for Implementation

5.1 The **Head of Paid Service (identify decision maker)** will be invited to make an urgent decision in accordance with constitutional delegation HPS4. A copy of this report and any decision notice will be published on the North East Combined Authority website

5.2 Identify the next steps for the project

6. Potential Impact on Objectives

6.1 Identify if there will be any impact on NECA objectives.

7. Financial and Other Resources Implications

7.1 Identify any implications

8. Legal Implications

8.1 Identify any implications.

9. Key Risks

9.1 Identify any key risks.

10. Equality and Diversity

10.1 Identify any issues.

11. Crime and Disorder

11.1 Identify any implications.

12. Consultation/ Engagement

12.1 Identify who has been part of the consultation process

13. Other Impacts of the Proposals

13.1 Identify if there is any other impact on the proposals.

14. Appendices

14.1 Identify any appendices

15. Background Papers

15.1 Identify any background papers

16. Contact Officer(s)

16.1 Name of the contact officer, position, email address and telephone number

17. Sign Off

17.1 The Chief Officers listed below must be satisfied that the matter is urgent and cannot reasonably be deferred, and must specifically authorise that a request for special urgency is made. Recorded below are the comments and confirmation of consent of the Chief Officers.

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

18. Glossary

18.1 Identify where abbreviated text has been used

Approval record:	Approved/Rejected	Date
Chair / Vice Chair Overview and Scrutiny Committee		
Chair of NECA		
Vice Chair of NECA		
Vice Chair of NECA		

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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