

North East Combined Authority, Overview and Scrutiny Committee

15 October 2014

(3.00 - 4.00 pm)

Meeting held - Sunderland Civic Centre

Present:

Councillor: Wright (Chair)

Councillors: Daley, Dillon, Eagle, Glindon, Graham, Maxwell, Meling, Pearson and Snowdon

21 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Armstrong, Lower, Stradling and Tyler.

22 DECLARATIONS OF INTEREST

No declarations were made.

23 MINUTES OF THE PREVIOUS MEETING HELD ON 9 SEPTEMBER 2014

The minutes of the last meeting held on 9 September 2014 were agreed as a correct record and signed by the Chair.

24 2015/16 BUDGET PROCESS AND TIMETABLE

Submitted: Report of the Chief Finance Officer and Monitoring Officer to outline the process and arrangements for setting the NECA Budget for 2015/16 Budget (previously circulated and copy attached to the official minutes).

This Committee meeting provided an opportunity to consider the Budget Process and Transport Levies for 2015/16 and to consider how Overview and Scrutiny wished to feed comments into the process in line with the Constitution.

It was pointed out that the process of setting the NECA budget and the transport levies for NECA was a relatively complex one. A report about the draft budget proposals for 2015/16 was currently being produced for the NECA Leadership Board on 21 October for consideration and this would start the consultation process on the budget proposals.

Although the date of the final decisions on the budget was 20 January 2015, there were a series of earlier meetings that would make important decisions or key recommendations to be considered by the Leadership Board in January. These included Tyne and Wear Sub-Committee on 13 November and Transport North East Committee (date to be confirmed in December), which would make recommendations on the Transport Budget and Levy for consideration by the Leadership Board and METRO fares to be implemented from 2 January 2015. Overview and Scrutiny were advised to take these dates into account in determining its approach to the scrutiny of the Budget.

The Chief Finance Officer advised that the Scrutiny Committee would be able to consider the draft budget proposals once they were agreed by the Leadership Board on 21 October.

The Chair invited comments and questions from Members as detailed below:-

- In response to a question about how detailed the budget figures would be, the Chief Finance Officer advised that figures would be available for Tyne and Wear and Durham; Northumberland was still working on this. Much of the Growth Fund spend had already been determined. Although it would take time, it was an aspiration to bring forward the undetermined money.
- Improving the accountability of the LEP was raised. This was an important issue as it involved public money and the public should have access to the decisions. Committee was informed that new accountability rules were expected.
- The Chief Finance Officer advised that a strong working relationship existed between officers and the LEP and there was a clear record of where the money had been spent. The LEP accounts would be audited and publicly available as this was included in the NECA budget (although there would be some elements of confidentiality). Guidance was being developed by CLG and the DfT which envisaged scrutiny arrangements being in place; it was hoped it would be issued in the near future.
- There was some discussion about the possibility of the Committee scrutinising the relationship between the Combined Authority (CA) and the LEP.
- While the business-led LEP may be unfamiliar with the role of scrutiny, it would be necessary to build accountability into the developing relationship between NECA, the LEP and NECA Scrutiny
- The Monitoring Officer stated that the LEP was a separate entity from the CA; invitations could be extended to individuals to attend Overview and Scrutiny Committee meetings and this could include the chair/senior officer of the LEP.
- The Chair noted that guidance was awaited but requested that it be reported back that the Overview and Scrutiny Committee would want to look at the relationship between the CA and the LEP.

The Committee AGREED unanimously that the LEP be invited to attend a future meeting of the Scrutiny Committee.

The Chief Finance Officer suggested that the next meeting of Committee on 9 December would provide a good opportunity to comment on the budget papers

already published and the final papers available; he also suggested that Members give some thought to how they wanted to be involved in budget consultation, bearing in mind the final proposals would be determined in early January.

RESOLVED – That Overview and Scrutiny Committee agree it should look at the best way to take this forward.

25 REVIEW OF CA ARRANGEMENTS AND GOOD PRACTICE

Submitted: Report of Monitoring Officer to enable Committee to consider the arrangements for sub-regional decision making in other areas in order to explore good practice and the scrutiny responses to different ways of decision-making (previously circulated and copy attached to the official minutes).

The Scrutiny Officer informed Committee that the scrutiny arrangements of the other combined authorities established in 2014 (Sheffield City Region, Liverpool City Region, and West Yorkshire) were progressing along similar lines as those of NECA; enquiries would be made with each of the newly established combined authorities to share experiences of setting up formal arrangements.

She went on to advise that the Greater Manchester Combined Authority (GMCA), established in April 2011, did have a formal joint scrutiny committee and this was arguably the most developed structure for sub-regional scrutiny in England. This group met on a monthly basis and had a tight focus on strategic issues. However, direct comparisons with NECA could not be made due to differing remits and different social geography.

The GMCA Scrutiny Committee would be developing a new approach to performance management in line with the refreshed Greater Manchester Strategy next year. More detail on this could be sourced if NECA Overview and Scrutiny Members considered it would be helpful. Visits to other combined authority 'scrutiny committees' could also be arranged if Members were interested.

Members comments and suggestions following the presentation of the report were made as follows:-

- It would be useful to meet counterparts in other areas.
- A carbon copy of the GMCA arrangements was not required; a 'best fit' for NECA would need to be developed.
- It was acknowledged that a type of performance management framework would be useful, and, as an action this Committee should monitor performance.
- It was proposed that any visits to other 'scrutiny authorities' should be delegated to the Chair and Vice Chair.
- A further suggestion was that officers should informally look at other areas before taking this any further.
- The report was reassuring and the Committee appeared to be on the right track.
- Involving NEREO as a mechanism for Member development was suggested.

RESOLVED - That the following 3 actions be progressed:-

1. Look at building a performance management framework into the work programme;
2. Approach NEREO about added value, training issues etc; and.
3. The Chair and the Vice Chair to consider the possibility of meeting with Scrutiny Committee members from other areas.

26 **FORWARD PLAN & WORK PROGRAMME**

Submitted: Report of Monitoring Officer to provide Members with an opportunity to consider the items on the Forward Plan for the current 28 day period (previously circulated and copy attached to the official minutes).

The Scrutiny Officer introduced this standing item on the agenda which enabled Members to raise issues and ask questions. Reviewing and scrutinising the decisions made by the Combined Authority was one of the main functions of overview and scrutiny. One of the ways that this could be achieved was by considering the forthcoming decisions of the NELB, the TNEC, the TWSC and the decisions of the County Council of Durham and Northumberland County Council. In doing so the Scrutiny Committee should determine whether Scrutiny could add value in relation to the decision being made and the most recent version of the Forward Plan was attached to the report as Appendix 1.

Appendix 2 provided details of the Overview and Scrutiny Committee 2014/15 Work Programme. In addition to the scheduled items 6 monthly updates on each of the 3 themes would also be delivered; this focus on the themes could possibly develop into a type of performance management framework

RESOLVED – That the Overview and Scrutiny Committee consider the Forward Plan in relation to the development of the Committee's Work Programme.

27 **DATES AND TIME OF NEXT MEETING**

2:00pm on Wednesday 9 December 2014 at Newcastle Civic Centre.