

Cabinet

30 July 2019

(2.00 - 2.36 pm)

Meeting held: Committee Room, North Tyneside Council, Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY

Minutes

Present:

Chair: Councillor Mayor J Driscoll

Councillors G Bell, W Daley, P Jackson, J McCarty, B Pickard and Mayor N Redfearn

11 ANNOUNCEMENTS FROM THE MAYOR

The Mayor welcomed everyone to the meeting.

The Mayor referred to the significant change in the national political scene.

The Mayor then welcomed the Empowering English Cities report by Lord Heseltine, highlighting that all directly elected Mayors enthusiastically backed the report. There was a strong cross-party call for effective devolution and decentralisation across the British regions. Interestingly, England was the only country in the developed world that did not have significant regional governance, which could explain some of the challenges the regions were facing.

The Mayor expressed his hope that the new Prime Minister would support the devolution promises and work with the North of Tyne Combined Authority to progress regional priorities, such as bus franchising powers in the NTCA area and in the wider North East. The Mayor would write to the Prime Minister on this matter.

The Mayor welcomed the fact that there was now a Northern Powerhouse Minister in Cabinet.

In concluding his speech, the Mayor spoke about the real need for an effective regional devolution, highlighting that, with the right powers, the North of Tyne Combined Authority could make a real difference.

12 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor N Forbes and Mr A Hodgson.

13 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

14 **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 4 June 2019 were approved as a correct record and signed by the Chair.

15 **INVESTMENT FUND UPDATE**

Submitted: A report of the Interim Director of Inclusive Growth, North of Tyne Combined Authority (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on investment decisions and invited further decisions on the allocation of funding.

The Mayor and the Deputy Mayor thanked officers and members for their work and the progress achieved.

RESOLVED – That:

- i. The funding requests for NUSTEM and Digital Catapult proposals (as part of the STEM and Digital Skills Programme and as set out in paragraph 1.2 of the report) be agreed.
- ii. An allocation of £455,626 to support the Newcastle Helix Incubator and Accelerator project be agreed.
- iii. An allocation of £618,472 allocation of the Inclusive Economy Innovation Fund be agreed to deliver a Returnships programme be agreed.
- iv. The Interim Head of Paid Service be authorised to finalise the conditions to be attached to the above funding awards and the Interim Monitoring Officer be authorised to complete the necessary documentation.
- v. The Combined Authority should proceed with the European Regional Development Fund (ERDF) application as Accountable Body for the Urban Element of the North of Tyne Growth Fund.
- vi. The ongoing development work on the Investment Fund, including development of the project pipeline, be acknowledged; and that a feasibility study into a regional bank be commissioned; and the United Nations (UN) Climate Change Teacher Initiative be endorsed.

- vii. Further development work of the NE-CHAIN proposition be endorsed and Newcastle University's bid into Government's Strength in Places Fund be supported, subject to final approval by the Head of Paid Service.

16 **LOCAL FULL FIBRE NETWORK**

Submitted: A report of the Interim Director of Inclusive Growth (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on the application by the North of Tyne Combined Authority (NTCA) to the Department for Digital, Culture, Media and Sport (DCMS) earlier this year for investment from its Local Full Fibre Networks (LFFN) Programme.

Members welcomed the benefits of the programme for the region, particularly in improving business-readiness and future-proofing, stimulating the market and creating business opportunities and jobs and improving digital connectivity in urban and rural areas. Members welcomed the proposed role of public sector sites. The Mayor spoke about the importance of this infrastructure for future proofing and welcomed the progress achieved.

RESOLVED – That:

- i. The award of £12m funding from DCMS for the Northumberland Gigabit Project be noted
- ii. The NTCA should enter the LFFN assurance process, including the provision of relevant procurement and Project information.
- iii. The Monitoring Officer and the Head of Finance, to finalise, agree and execute (a) a grant agreement with DCMS for the receipt of the funding for the Northumberland Gigabit project and (b) an agreement with Northumberland County Council relating to the release and defrayal of that funding.
- iv. A budget of up to £550k be approved in principle to support the delivery of the NTCA Digital Infrastructure Programme (which would include progressing the Northumberland Gigabit project through the assurance process); and the Interim Head of Paid service, in consultation with the Investment Panel, be authorised to consider and approve the allocation of that budget from the Investment Fund following the submission of a full business case.
- v. The development of the Urban Gigabit Project be noted and that a further update would be provided once proposals were finalised.

17 **ANNUAL FINANCIAL REPORT 2018/19**

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

Members considered the report which provided an update on the progress of the production of the audited 2018/19 Statement of Accounts and explained the position regarding the Local (external) Auditor.

RESOLVED – That:

- i. the report be noted; and
- ii. Public Sector Audit Appointments Ltd. be asked to appoint a replacement local auditor for North of Tyne Combined Authority (NTCA) and the Chief Finance Officer be authorised to take all necessary steps to formalise the appointment of a new local auditor.

18 **2019/20 Q1 FINANCIAL MANAGEMENT REPORT**

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

Members considered the report which was the first monitoring report on the 2019/20 financial position. The report presented the forecast financial position for both the Corporate and Investment Fund budgets, set out the potential position on Reserves at the year end and provided the first indication of the potential position of the Authority at 31st March 2020.

RESOLVED – That the Cabinet:

- i. The forecast budget monitoring position for the authority as set out in paragraphs 1.2, 1.3 and 1.4 of the report be noted; and
- ii. The use of the European Union (EU) grant as set out in paragraph 1.2 of the report be approved.

19 **ADULT EDUCATION BUDGET DEVOLUTION UPDATE**

Submitted: A report of the Head of Inclusive Growth (previously circulated and copy attached to Official Minutes).

Members considered the report which provided an update on the progress of the devolution of the Adult Education Budget and sought approval for the proposed approach and next steps.

As an update, it was noted that the statutory order to transfer the relevant functions to the Authority was now going through the parliamentary process, and it was expected that it would be debated in the autumn.

Members welcomed the progress achieved, the work to ensure continuity, stability and flexibility of the provision, the cross-portfolio work within the Combined Authority and engagement with providers and other stakeholders.

The Mayor thanked all Members for their work. Special thanks were offered to Councillor Joyce McCarty and Daljit Lally for their work.

RESOLVED – That:

- i. the progress being made on devolving the Adult Education Budget be noted;
and
- ii. the proposed approach and next steps be approved.

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

Due to the number of apologies received, the 24 September 2019 meeting of the Cabinet would be rearranged.