

Leadership Board

Tuesday 15 December 2020 at 2.00pm

Meeting to be held virtually via Microsoft Teams

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AGENDA

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1. Apologies for Absence (Members)	
2. Declarations of Interest	
Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.	
3. Minutes of the Previous Meeting held on 3 November 2020	1-6
For approval as a correct record	
4. Announcements from the Chair	
5. Economic Development and Digital Thematic Portfolio Update	7-14
6. Finance, Skills and Employability Thematic Portfolio Update	15-26
7. Membership of the Leadership Board, Appointment of Chair and Vice-Chair and Designation of Thematic Leads	27-32
8. Designation of Statutory Officers	33-36

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

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North East Combined Authority, Leadership Board

Agenda Item 3

03 November 2020

(2.00pm - 2.30pm)

Meeting held virtually via Microsoft Teams

Present:

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

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

1. APOLOGIES FOR ABSENCE (MEMBERS)

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

2. DECLARATIONS OF INTEREST

None.

3. MINUTES OF THE MEETING HELD ON 14 SEPTEMBER 2020

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

4. ANNOUNCEMENTS FROM THE CHAIR

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

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

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

The Chair thanked P Melia for the update.

5. CHAIR'S THEMATIC PORTFOLIO UPDATE

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

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

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

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

RESOLVED That:

- i. the report be noted.

6. ECONOMIC DEVELOPMENT AND DIGITAL THEMATIC UPDATE

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

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

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

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

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

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

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

The Chair thanked Cllr G Miller for the report.

RESOLVED That:

- i. the report be noted.

7. NECA GOVERNANCE ARRANGEMENTS

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

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

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

The Chair thanked N Robason for the report.

RESOLVED That:

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

8. AUDIT COMPLETION REPORT 2019/20

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

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

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

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

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

The Chair thanked C Waddell for the report.

RESOLVED That:

- i. the report be noted.

9. STATEMENT OF ACCOUNTS 2019/20

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

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

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

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

The Chair thanked J Hewitt for the report.

RESOLVED That:

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

10. NECA BUDGET 2021/22

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

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

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

The Chair thanked J Hewitt for the report.

RESOLVED That:

- i. the report be noted.

11. DATE AND TIME OF NEXT MEETING

Tuesday 15 December 2020 at 2.00pm.

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Agenda Item 5

Date: 15 December 2020

Subject: Economic Development and Digital Theme Update

Report of: Economic Development and Digital Thematic Lead

Executive Summary

The purpose of this report is to provide an update on activity and progress under the Economic Development and Digital theme of the Combined Authority.

The report provides updates on European Funding and EU Exit planning.

Recommendations

The Leadership Board is recommended to note the contents of the report.

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1.0	Background Information
1.1	<p>This report provides an update on activity and progress under the Economic Development and Digital theme of the Combined Authority, specifically:</p> <ul style="list-style-type: none"> • European Funding • EU Exit Planning
2.0	European Structural and Investment Funds (ESIF)
2.1	<p>The European Structural and Investment Fund (ESIF) programme continues to be delivered in the North East. Some project activities will continue to be delivered through to the end of 2023. The region is split into two areas: (1) More Developed (Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland); and (2) Transition (County Durham).</p> <p>It should be noted that the last 3 Local ESIF Committee meetings have been cancelled since March 2020. The next meeting is planned for 9 December 2020 where a full programme update is expected to be provided on both the European Regional Development Fund and European Social Fund.</p>
2.2	<i>European Regional Development Fund (ERDF)</i>
2.3	<p>The notional allocation for the More Developed area is £176.9m, and in the Transition Area is £86.3m; a total for the NELEP area of £263.2m. Following the latest calls for projects, the North East LEP Area ESIF Committee has now provisionally allocated all ERDF grant. It should be noted that while c.£180m of grant is legally committed, the remaining grant allocation to projects is subject to full appraisal and due diligence, and therefore may result in the attrition of some projects.</p> <p>The Local ESIF Committee is expected to receive an update on the ERDF resource position, including the status of each project, in December 2020.</p>
2.4	<p>There are currently no plans for future calls.</p> <p>Following closure of the latest calls over 30 pipeline projects were invited to develop full applications or project change requests (for extension projects), across the priority axes listed below:</p> <ul style="list-style-type: none"> • Priority Axis 1 Promoting Research and Innovation (closed 30 Sep 2019) • Priority Axis 3 Enhancing the Competitiveness of SMEs (closed 30 Sep 2019)

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	<ul style="list-style-type: none"> • Priority Axis 4 Supporting the shift towards a Low Carbon Economy in all sectors (closed 30 Sep 2019) • Priority Axis 5: Promoting climate change adaptation, risk prevention and management (closed 30 Sep 2019) • Priority Axis 4 Sustainable Urban Development (closed 30 Jun 2020)
2.5	<p>The Government has previously confirmed that it will guarantee funding for ERDF projects that are contracted by the end of 2020. All contracted ERDF projects must be completed by the end of the programme period in 2023. Each application for ERDF will be required to demonstrate that it delivers good value for money and domestic strategic priorities.</p>
2.6	<p>It was reported in early 2020 that any ERDF grant not allocated through further North East LEP area calls would be recycled into a National Reserve Fund to ensure that the UK makes best use of remaining programme funds up to 2023.</p> <p>The Government updated this position in June 2020, outlining that in response to the challenges presented by COVID-19 it was reviewing plans for utilising remaining unallocated ERDF funding. Future plans and investment options would need to take account of the following:</p> <ul style="list-style-type: none"> • Available resource, including new COVID-19 commitments such as the Reopening High Streets Safely Fund, and pipeline attrition (which will release money to a variable timescale); • Ongoing need to manage foreign exchange fluctuations which can have a significant impact as the programme approaches full commitment; • Addressing emerging recovery funding requirements, such as additional business support, sectoral or thematic needs; • Alignment with other government initiatives and local recovery plans to support the economy; • Capacity to administer and operate calls for proposals (both within MHCLG and potential applicants), as well as timing of approvals.
2.7	<p><i>European Social Fund (ESF)</i></p>
2.8	<p>Across the NELEP area there is a notional allocation of £224.7m (More Developed £161.3m, Transition £63.4m). As at February 2020, c.£97m has been legally committed in the More Developed area (60%) and c.£52m in the Transition area (82%). Subject to projects progressing to the contracting stage and the level of</p>

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	<p>demand in response to the latest call (which closed on 3 March 2020), it should be noted that commitment levels, including pipeline applications, could increase to c.96% in the More Developed area and 117% in the Transition area.</p> <p>Since the last update several projects have been appraised and approved by DWP across both the Inclusive Labour Priority Axis (for unemployed and economically inactive participants) and Skills for Growth Priority Axis (for employees in the workforce).</p> <p>The last reported position is that all ESF projects must be completed by December 2023.</p> <p>The Local ESIF Committee is expected to receive an update on the ESF resource position, including the status of each project, in December 2020.</p>
2.9	<p>The increase in commitment levels for ESF reflects the considerable technical assistance support reported previously, particularly in relation to the latest calls set out below:</p> <ul style="list-style-type: none"> • Priority Axis 2 Skills for Growth (closed 27 Aug 2019) • Priority Axis 1 Inclusive Labour Market – Sustainable Integration of Young People in the Labour Market (closed 5 Sep 2019) • Priority Axis 1 Inclusive Labour Market (closed 2 Dec 2019) • Priority Axis 2 Equal Access to Lifelong Learning (closed 3 Mar 2020). <p>In addition, commitment figures also reflect extensions to the National Lottery Community Fund (previously Building Better Opportunities programme) co-financed projects.</p>
2.10	<p>The last ESF call for projects closed on 3 March 2020. This was launched in December 2019 in order to deploy approximately £10m of the remaining ESF allocation under Priority Axis 2 Skills for Growth. Roundtable sessions were held with local and regional partners to identify potential projects that would meet key sector skills gaps in the following areas:</p> <ul style="list-style-type: none"> • Support for Management, Leadership and Enterprise skills • Support for employer led skills activities - Focused on SMEs in smart specialisation and growth sectors • Support for industry specific intermediate and high-level skills that respond to employer demand and offer flexible responses to emerging and projected skills needs - Focused on smart specialisation and growth sectors.

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2.11	The last update on the ESF Reserve Fund indicated that any ESF grant not allocated through the latest area calls would be recycled. LEP areas would be able to put forward call proposals setting out local area needs, skills gaps and workforce development priorities linked to growth and recovery. The Reserve Fund process would be overseen by DWP.
2.12	DWP launched a one-off 'lump-sum' call in September 2020 to run projects to help address the digital divide in response to COVID-19. This call closed on 30 September 2020 and only existing ESF projects could apply.
2.13	A full update on the Reserve Fund process for both ESF and ERDF will be requested at the next Local ESIF Committee.
3.0	EU Exit Planning
3.1	<i>The Negotiations</i>
3.2	At the time of writing, a UK-EU trade and security agreement is close to being finalised.
3.3	The EU's 27 member states have been told that the majority of the 11 key negotiation issues now have " <i>joint legal texts with fewer and fewer outstanding points</i> ". The UK and EU are also closing in on agreements on the contentious issues of EU access to UK fishing waters and the design of a mechanism to ensure neither side can distort trade through undercutting standards (the "Level Playing Field").
3.4	The UK's insistence that it needs to be able to set its own environmental, labour and social standards without any prior approval remains difficult, as does the definition of the current standards from which both sides say they will not regress. The details of the treaty's dispute resolution system are also proving hard to resolve, with the UK wanting fisheries to be outside any sanctions regime. EU sources said they were increasingly optimistic that agreement could be found, although time was said to be a concern.
3.5	If the treaty simply involves EU competences it will only need consent by the European Parliament, but the process is complicated when it affects competences where national parliaments have a decisive role. The deal, even if it involves both EU and national competences, could provisionally be brought into force on 1 January, with the national parliaments ratifying at a later

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	date. But member states are seeking time at least for their MPs to debate the detail of the deal in the remaining month.
3.6	<i>Economic Impact of No Deal</i>
3.7	<p>The Governor of the Bank of England, Andrew Bailey, warned that the long-term economic cost of No Deal would be greater than the damage caused by Covid-19. He said failure to agree a UK-EU trade deal before the Transition Period ends on 31 December would cause disruption to cross-border trade and damage the goodwill between the UK and the EU needed to build a future economic partnership.</p> <p>However, the Chancellor of the Exchequer, Rishi Sunak, said that Britain should not accept a deal with the EU at any price, instead insisting that it was Covid-19 which posed a much greater threat to the economy than No Deal. The Chancellor said a deal was preferable but that the UK would “<i>prosper in any eventuality</i>”.</p>
3.8	More is expected to be known about the outcomes of the ongoing negotiations, in early December. The thematic lead will provide a further, verbal update at the meeting.
4.0	Reasons for the Proposals
4.1	This report provides an update on Economic Development and Digital theme.
5.0	Alternative Options Available
5.1	There are no alternative options associated with this report.
6.0	Next Steps and Timetable for Implementation
6.1	A further update will be provided to the Board at subsequent meetings.
7.0	Potential Impact on Objectives
7.1	The activities under the Economic Development and Digital theme will support NECA in its aims to promote economic growth and regeneration in the area.
8.0	Financial and Other Resources Implications

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8.1	There are no financial or other resource implications directly associated with this report as it is for information only.
9.0	Legal Implications
9.1	There are no legal implications arising from this report.
10.0	Key Risks
10.1	There are no specific risk management issues arising from this report.
11.0	Equality and Diversity
11.1	There are no specific equality and diversity issues arising from this report.
12.0	Crime and Disorder
12.1	There are no specific crime and disorder issues arising from this report.
13.0	Consultation/Engagement
13.1	There are no specific consultation and engagement issues arising from this report.
14.0	Other Impact of the Proposals
14.1	There are no further impacts arising from the proposals.
15.0	Appendices
15.1	None
16.0	Background Papers
16.1	None.
17.0	Contact Officers
17.1	Beverley Poulter, Lead Policy Officer, Sunderland City Council, beverley.poulter@sunderland.gov.uk

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18.0	Sign off
18.1	<ul style="list-style-type: none"> • Head of Paid Service: ✓ • Monitoring Officer: ✓ • Chief Finance Officer: ✓
19.0	Glossary
19.1	None.

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Agenda Item 6

Date: 15 December 2020

Subject: Finance, Skills & Employability- Thematic Update

Executive Summary

This report seeks to provide an update on current Finance, Skills and Employability portfolio activity and the baseline position for a future 'Skills & Employment' ask for the North East Combined Authority.

Local Government financing remains an issue for careful review following the recent Comprehensive Spending Review and information in relation to draft finance settlement will provide further clarity to the resource base going forward.

Skills and Employment considerations builds on the wide-ranging activity already underway and provides an opportunity for the Combined Authority to take a lead of Employment & Skills services in the coming years.

Central to the Skills and Employability agenda are the issues of financing particularly the reliance on external funding as we approach the final stages of the current European Structural Investment Fund programme with proposals for further information to be published in the Spring as to the operation of the UK Shared Prosperity Fund, alongside ensuring the ongoing development of good partnership and inter authority working arrangements that have been developed.

Recommendations

The Leadership Board is recommended to receive this report for information.

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1. Background Information

1.1 Further to the agreed portfolio leads and the update provided to the Leadership Board in September, activity continues to progress all aspects of the Finance, Skills and Employment needs and opportunities across NECA. Identification of the main issues and progress being made under each element is as follows:

2. Finance Theme

2.1 The spending review set out the resources that are available for local government and it is important that the functions that NECA oversees as accountable body are properly resourced. Work will be undertaken with the Joint Transport Committee to lobby government for fair funding for transport across the north-east and for capital investment that will improve transport infrastructure.

2.2 In addition to core spending power Government have provided for an additional £3 billion of Covid funding in 2021-22 made up of:

	£ billion
Grant funding for further covid 19 pressures	1.550
Help with Council Tax support payments	0.670
A75% contribution to Council Tax and Business Rate losses of 2020-21	0.762
Extending the compensation for Sales Fees and Charges pressures to June 2021	0.018

2.3 Council Tax referendum limits will be maintained at up to 2% with an additional 3% adult social care precept permitted for upper tier councils.

2.4 Business rate multiplier will be frozen in 2021-22 with councils being compensated for the loss in business rate income.

2.5 The government has decided not to proceed with a reset of business rates baselines in 2021-22 and will maintain the existing 100 per cent business rates pilots for a further year.

2.6 A review of the New Homes Bonus will be issued shortly for implementation in 2022-23 but New Homes Bonus will be sustained this year albeit without legacy payments.

2.7 The government is launching a new Levelling Up Fund worth £4 billion for England. This will invest in local infrastructure that has a visible impact on people and their communities and will support economic recovery. It will be open to all local areas in England and prioritise bids to drive growth and regeneration in places in need, those facing particular challenges, and areas that have received less government

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investment in recent years. The government will set out further details on how to support levelling up across the UK in the New Year.

- 2.9 The government has published Head of Terms for the Shared Prosperity Fund (page 37 of the budget document) and will set out further details of the Shared Prosperity Fund in Spring. The value of the fund will average £1.5 billion per year and government has indicated it will provide additional SPF moneys for pilot programmes in 2021-22, with details to be published in the new year

3. Skills Theme

3.1 Further Education Reform White Paper

The education secretary has promised that the imminent Further Education (FE) White Paper will bring an “end to getting a qualification for its own sake” and ensure that training reflects the “changing needs” of employers. Gavin Williamson said further education will “no longer be hiding its vast potential under a bushel” following the reforms, while making a keynote address at Association of College’s FE summit in November.

- 3.2 The white paper, due for publication before the end of 2020, is seen by government as a vital opportunity to collaborate further, so that the FE sector delivers for all those it serves, its students, its local employers and for its communities

3.3 Ofsted Inspections

- 3.4 The Government has announced that full graded Ofsted inspections will not return until the summer term. However, monitoring visits, including to those with grade three and four ratings and new apprenticeship providers, will resume in January.
- 3.5 Ofsted said FE providers that do not receive a monitoring visit “may receive support and assurance visits”, which will result in a report but no grade, similar to the “interim visits” being run this autumn. The watchdog will also continue to have the power to inspect an education provider if they have serious concerns about safeguarding.
- 3.6 Under a raft of measures announced relating to holding exams in 2021, education secretary Gavin Williamson announced that Ofsted’s full return has been pushed back again until the summer term. Full inspections have been paused since the outbreak of Covid-19 in March

3.7 Providing Apprenticeships during the Covid pandemic

- 3.8 As part of the cross-government efforts to respond to the impact of coronavirus (COVID-19), the Education and Skills Funding Agency (ESFA) implemented

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measures to make it easier for apprenticeships to continue and complete in a different way, or to break and resume an apprenticeship later when that became possible.

- 3.9 The usual apprenticeship funding rules apply to main providers, employer providers, and employers delivering and supporting apprenticeship training and on-programme assessment under the apprenticeship programme. The rules form part of the terms and conditions for the use of funds in an employer's apprenticeship service account or for government-employer co-investment.
- 3.10 Additionally, new legislation allowing more redundant apprentices to complete their apprenticeships came into force on Thursday 15th. October.
- 3.11 Currently ESFA continue to fund the apprentice to complete their programme if they are made redundant within six months of their final day of training. This allows apprentices that are close to the end of their apprenticeship to continue on their programme while they look for another employer to complete their apprenticeship with, or, if they are unable to find one, allow them to complete their apprenticeship without an employer.
- 3.12 The amended legislation helps to support more redundant apprentices affected by COVID-19. The amended legislation will extend this support to also fund to completion all apprentices who are at least 75% of their way through their apprenticeship at the point of redundancy. These changes will mean more redundant apprentices can complete their apprenticeship, putting them in a stronger position to secure new employment. The change applies to apprentices undertaking both standards and frameworks.
- 3.13 The Redundancy Support Service for apprentices continues, providing free advice and guidance to apprentices affected by redundancy, as well as helping them to identify new apprenticeship opportunities available across the country.
- 3.14 As part of the Plan for Jobs measures, businesses will be given £2,000 for each new apprentice they hire under the age of 25. This is in addition to the existing £1,000 payment the Government already provides for new 16-18-year-old apprentices and those aged under 25 with an Education, Health and Care Plan
- 3.15 **Post 16 qualifications overhaul**
- 3.16 As part of the review of post-16 qualifications at level 3 and below in England, the ESFA have launched a call for evidence on post-16 level 2 and below study and qualifications.
- 3.17 To help develop detailed proposals on post-16 level 2 and below study, the ESFA want to know more about what is working and what more it needs to do to support 16 to 19 year olds and adults, to ensure that whatever option they choose will be high quality, valued by employers and will lead to an

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apprenticeship, further study, or a great job.

3.18 Anyone with an interest in post-16 education and training at level 2 and below for young people and adults in England is encouraged to submit evidence. The deadline for submissions is 31 January 2021. Further details of this issue are to be reported to Leadership Board in January 2021.

3.19 This review follows the second stage consultation of post-16 qualifications at level 3 which focuses on level 3 qualifications and seeks views on our proposals for the groups of qualifications that would continue to be funded alongside A levels and T Levels.

4 Employment Theme

4.1. Comprehensive Spending Review (CSR) Nov 20

4.2 As part of the Comprehensive Spending Review an additional £3.7 billion has been allocated to support frontline services and to enable DWP to deliver on July's Plan for Jobs to support people back into work. This includes:

- A new Restart programme to provide intensive and tailored support to over 1 million unemployed people and to help them find work in England and Wales. This is approximately £400million investment in 2021-22. The first step in a £2.9 billion three-year programme.
- Investing £1.4billion to build on the Plan for Jobs commitment to increase capacity in Job Centre Plus and double the number of work coaches in Great Britain.
- Additional investments in Plan for Jobs measures including the Job Entry: Targeted Support and Job Finding Support schemes and the Youth Offer in Great Britain, as well as Sector-based Work Academy Programme placements in England and Scotland.
- This settlement also confirms a total package of £2 billion, with £1.6billion in 21/22 to continue creating up to 250,000 government-subsidised jobs through the Kickstart Scheme in Great Britain.

4.3

4.4 Restart Programme

Restart is a new programme to help people on Universal Credit within the Intensive Work Search group, who have been out of work for 12 months or longer with no sustainable earnings when they are referred to Restart. They will receive more intensive support, via fortnightly meetings for up to a year, from local providers. Using in-depth knowledge of local jobs and skills markets, providers will work with community organisations, including local authorities, to deliver tailored support for individuals. This may include training to switch to growth sectors by providing support through recruitment stages, updating IT

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skills and / or getting the right certificates to take up a job in a different industry, such as construction or transport. The scheme is expected to help more than a million jobseekers over the course of three years and will be available in England and Wales.

4.5 Kickstart

4.6 Announced in July 2020 and implemented from September, the £2 billion Kickstart Scheme provides funding to create new job placements for 16-to-24-year olds on Universal Credit who are at risk of long-term unemployment. Employers of all sizes can apply for funding which covers:

- 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 25 hours per week for a total of 6 months
- associated employer National Insurance contributions
- employer minimum automatic enrolment contributions

4.7 Employers can spread the start date of the job placements up until the end of December 2021, but the government has made it clear that this will be extended if required.

4.8 A Kickstart Scheme application must be for a minimum of 30 job placements. If a single employer cannot provide this many job placements, they can find a Kickstart gateway, such as a local authority, charity or trade body for help applying.

4.9 Further funding is available for training and support so that young people on the scheme can secure further work in the future. These jobs must be new positions and of good quality. They cannot replace existing or planned vacancies

4.10 Job Retention Scheme (Furlough)

4.11 The Coronavirus Job Retention Scheme has been in place since March 2020 and was extended in November to remain open until March 2021. Eligible employees are receiving 80% of their current salary for hours not worked, up to a maximum of £2,500 per month. Employers small or large, charitable or non-profit, are eligible for the extended Job Retention Scheme which has evolved over the summer months

4.12 Businesses now have flexibility to bring furloughed employees back to work on a part time basis or furlough them full-time and will only be asked to cover National Insurance and employer pension contributions which, for the average claim, accounts for just 5% of total employment costs or £70 per employee per month. The CJRS extension will be reviewed in January 2021 to examine whether the

Leadership Board

economic circumstances are improving enough for employers to be asked to increase contributions.

- 4.13** A Job Retention Bonus was also announced – a one-off payment of £1,000 to UK employers for every furloughed employee who remains continuously employed through to the end of January 2021.
- 4.14** Similarly, support for millions more workers through the Self-Employment Income Support Scheme (SEISS) will be increased, with the third grant covering November to January calculated at 80% of average trading profits, up to a maximum of £7,500.
- 4.15** In addition, business premises forced to close in England are to receive grants worth up to £3,000 per month under the Local Restrictions Support Grant. Also, £1.1bn is being given to Local Authorities, distributed on the basis of £20 per head, for one-off payments to enable them to support businesses more broadly.
- 4.16** The Job Support Scheme, which was scheduled to come in on Sunday 1st November, has been postponed until the furlough scheme ends.
- 4.17** **Redundancy Support Service for Apprentices**
- 4.18** A new online and telephone support service, The Redundancy Support Service for Apprentices (ReSSA) to help apprentices who lost their jobs during the Covid-19 outbreak was launched in August 2020. It will ensure apprentices can access local and national services that can provide financial, legal, health and wellbeing support, and assist them to find a new job should they need it. Apprentices can also search and apply for other available apprenticeship opportunities across the country.
- 4.19** Employers large and small are also encouraged to take advantage of generous new cash incentives designed to create more high-quality apprenticeship opportunities so more people, particularly young people, can kick start an exciting and rewarding career.
- 4.20** As part of the Government's Plan for Jobs, employers are being offered £2,000 for each new apprentice they hire aged under 25, and £1,500 for each new apprentice they hire aged 25 and over up to the 31st January 2021. This includes taking on an apprentice who has been made redundant.
- 4.21** The new cash incentives for employers are in addition to the existing £1,000 payment for new 16-18-year-old apprentices, and those aged under 25 with an Education, Health and Care Plan.

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4.22 JETS (Job Entry Targeted Support)

4.23 A new £238 million employment programme, JETS (Job Entry Targeted Support) was launched from 5th October 2020 across Britain. JETS is aimed at supporting those Universal Credit claimants in the all work related requirements group and New Style Jobseeker's Allowance claimants who find themselves unemployed for 13 weeks or longer as a result of COVID-19 and is expected to boost the prospects of more than a quarter of a million people across Britain.

4.24 Job Centre work coaches can refer claimants who have been out of work for 13 months from the date of their claim to JETS. This programme provides a flexible and tailored approach to enable a swift route back into employment. There are several providers offering a range of help to suit client needs. As well as support with their employability skills, claimants can expect to receive specialist advice on how to access growing sectors. The providers will work closely with the claimant and their work coach to produce an agreed action plan which can include access to peer support and practical opportunities to build their work skills.

4.25 Jobs Fuse

4.26 Jobs Fuse is an initiative between; The National Careers Service and the Department for Work and Pensions along with local authorities. The new service provides help and advice to employers and individuals whose employment is at risk or has been lost as a result of COVID-19. Individuals can access careers advice, employability support and signposting to relevant agencies regarding benefits and money advice.

4.27 Jobs Fuse provides help to employers whose staff are at risk of redundancy and funding may be available for vocational training which would help to secure a new position.

4.28 CAERHS (Commercial Agreement for Employment and Health Related Services)

4.29 CAERHS is a framework designed to facilitate the provision of employment and health related services to the government and other contracting bodies across England, Wales and Scotland. It will run for a maximum of five years with a ceiling value of up to £7.5 billion.

4.30 With the changes in economic conditions triggered by the impact of COVID-19 this is likely to become a key area of strategic focus for all these organisations over the short and potentially medium term. For the DWP, CAERHS will be considered as the default means through which it contracts the market for these services and is expected to create administrative savings, for all parties, to respond to economic and policy conditions more swiftly.

Leadership Board

- 4.31** The framework covers England, Scotland and Wales. It will be split into eight contracting lots (matching the seven JCP groups and a national lot). This can be broken down further as necessary to contract in smaller areas. There will be three tiers of suppliers, each encompassing contracts of a pre-determined size. Tiers 1 and 2 are now launched. DWP are currently considering the design of Tier 3 which they expect will predominately be focussed at the VCSE, SME and specialist organisations within the employment market.
- 4.32** On 5th October 2020, DWP announced they had received submissions from 61 organisations with a total of 171 compliant submissions across the 7 regional lots. Overall, this has resulted in a total of 28 organisations being awarded a place within Tier 1 and Tier 2, 21 of which have multiple places and 7 have single awards.

Organisations across the North East of England

Tier 1

- Adecco Working Ventures
- Capita Group Plc
- Ingeus UK Ltd
- Maximus UK Services Limited
- People Plus Group Ltd
- Pinnacle Housing
- Reed in Partnership
- Serco Group

Tier 2

- Fedcap Employment Limited
- G4S Regional Management (UK&I) Learning Curve (JAA) Ltd
- BUSINESS 2 BUSINESS (U.K.)
- WISE Ability
- The Growth Company Ltd
- Jobs 22 Ltd
- Seetec Pluss
- Shaw Trust

5. Next Steps and Timetable for Implementation

- 5.1** Employment & Skills issues and opportunities for development remain under development through meetings of the Skills and Employment Working Group.

Leadership Board

6. Potential Impact on Objectives

6.1 This report is for information only.

7. Financial and Other Resources Implications

7.1 There are no additional financial implications as this report is for information only.

8. Legal Implications

8.1 There are no specific legal implications arising from this report.

9. Key Risks

9.1 This report is for information.

10. Equality and Diversity

10.1 There are no equality and diversity implications directly arising from this report

11. Crime and Disorder

11.1 There are no crime and disorder implications directly arising from this report

12. Consultation/Engagement

12.1 Economic Directors have been fully consulted on the contents of this paper

13. Other Impact of the Proposals

13.1 There are no other impacts arising from this report

14. Appendices

14.1 None

15. Background Papers.

15.1 Thematic Portfolio Update 3 March 2020

16. Contact Officers

16.1 Amy Harhoff, Corporate Director Regeneration Economy & Growth,
Amy.Harhoff@durham.gov.uk Tel: 03000 267330

Leadership Board

17. Sign off.

- 17.1
 - Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓

18. Glossary

- 18.1 CAERHR Commercial Agreement for the provision of employment 7 health Related Services
 - CJRS Coronavirus Job Retention Scheme
 - DWP Department for work and Pensions
 - ESFA Education and Skills Funding Agency
 - JETS Job Entry Targeted Support
 - ReSSA Redundancy Support Service for Apprentices
 - SEISS Self Employment Income Support Scheme

Leadership Board

Agenda Item 7

Date: 15 December 2020
Subject: Membership of the Leadership Board, Appointment of Chair and Vice-Chair and Designation of Thematic Leads
Report of: Deputy Monitoring Officer

Executive Summary

The purpose of this report is to invite the Leadership Board to confirm its membership for the remainder of the 2020/21 municipal year following the recent departure of the NECA Chair.

The report invites the NECA Leadership Board to appoint a new Chair and confirm the appointment of the Vice-Chair and to appoint or confirm the appointment of the NECA Thematic Leads for the remainder of the 2020/21 municipal year.

Recommendations

It is recommended that with immediate effect.

1. The membership of the Leadership Board for the remainder of the municipal year 2020/21 be confirmed as set out in Appendix A;
2. The Leadership Board appoints Cllr Graeme Miller as its Chair for the remainder of the municipal year 2020/21;
3. The Leadership Board confirms the continued appointment of Cllr Simon Henig as Vice-Chair and Thematic Lead for Finance and Skills and Employment;
4. The Leadership Board confirms the continued appointment of Cllr Martin Gannon as Thematic Lead for Transport;
5. The Leadership Board appoints Cllr Tracey Dixon as Thematic Lead for Economic Development and Digital and appoints her as Chair of the Economic Development and Digital Board;
6. The Leadership Board appoints Cllr Mark Walsh as Substitute Member for Cllr Tracey Dixon on the NECA Leadership Board.

Leadership Board

7. The Leadership Board confirms the continued appointment of Mrs Lucy Winskill as the non-voting Member of the Leadership Board representing the North East Local Enterprise Partnership
8. The Leadership Board confirms the continued appointment of Ms Gillian Hall as the Substitute Member for the Member of the Leadership Board who represents the North East Local Enterprise Partnership
9. The Leadership Board appoints Cllr Tracey Dixon as Member of the Joint Transport Committee as a direct replacement for Iain Malcolm. Cllr Mark Walsh will remain as substitute member.
10. The Leadership Board agrees and nominates Cllr Tracey Dixon to replace Iain Malcolm as one of its three nominated members on the North East Local Enterprise Partnership Board (together with Cllr Simon Henig and Cllr Martin Gannon) and that Cllr Graeme Miller – Leader of Sunderland City Council, continues to act as the additional representative with observer status until the annual alphabetical rotation previously agreed (Durham, Gateshead, South Tyneside).
11. The Leadership Board agrees and nominates Cllr Tracey Dixon to replace Iain Malcolm as its nominated member on the North East Local Enterprise Partnership Investment Board.

Leadership Board

1. Background Information

- 1.1 Under NECA's Constitution, the Leadership Board is the principal decision-making body of NECA, which can delegate authority to other decision-making bodies (committees and constituent authorities), Officers and Chief Officers.
- 1.2 Each of the four Constituent Authorities is required to appoint its Leader or Elected Mayor to be a Member of the NECA Leadership Board and another Member to act in the absence of the appointed Member as their substitute. Following the recent decision by Cllr Iain Malcolm to step down it is necessary in order to maintain good governance that NECA Leadership Board confirm its membership and their appointed roles for the remainder of the municipal year.

2. Proposal

- 2.1 The Leadership Board is invited to agree the recommendations set out above and presented (in part) in Annex A, North East Leadership Board, Membership.

3. Reasons for the Proposals

- 3.1 The proposals will enable NECA to operate effectively and in accordance with the NECA Constitution and applicable law.

4. Alternative Options Available

- 4.1 There are no alternative options available.

5. Next Steps and Timetable for Implementation

- 5.1 Information on these slightly revised appointments will be communicated to all stakeholders involved and published on NECA's website as soon as possible.

6. Potential Impact on Objectives

- 6.1 The appointments will enable NECA to properly discharge its functions, thereby assisting in delivering on its objectives.

7. Financial and Other Resources Implications

- 7.1 There are no specific financial implications arising from these recommendations. These appointments are not remunerated by NECA.

8. Legal Implications

Leadership Board

8.1 NECA is required to confirm its membership and appoint its Chair and Vice-Chair as and when appropriate. It is correct that membership is re-confirmed following the departure of the previous Chair. The designation of the Thematic Leads is also a matter reserved to the Leadership Board.

9. Key Risks

9.1 There are no risks arising as a result of the proposals.

10. Equality and Diversity

10.1 There are no specific equality and diversity implications arising from this report.

11. Other Impact of the Proposals

11.1 The proposals comply with the principles of decision-making. The proposals would enable NECA to properly discharge its functions, therefore assisting NECA in delivering on its objectives.

14. Appendices

14.1 Appendix A - North East Leadership Board, Membership

16. Contact Officer

16.1 Nicola Robason, Deputy Monitoring Officer,
Nicola.Robason@southtyneside.gov.uk, Tel: 0191 4247186

17. Sign off

- 17.1
- Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓

18. Glossary

18.1 NECA – North East Combined Authority

Leadership Board

Appendix A: North East Leadership Board, Membership

Membership: 5 (one Member from each constituent local authority and one non-voting Member from the North East Local Enterprise Partnership).

Constituent Authority/Organisation	Member	Substitute Member
Durham County Council	Councillor Simon Henig	Councillor Carl Marshall
Gateshead Council Councillor	Councillor Martin Gannon	Councillor Catherine Donovan
South Tyneside Council	Councillor Tracey Dixon	Councillor Mark Walsh
Sunderland City Council	Councillor Graeme Miller (Chair)	Councillor Paul Stewart
North East Local Enterprise Partnership (non-voting)	Ms Lucy Winskell	Ms Gillian Hall

Chair: Cllr Graeme Miller

Vice-Chair: Cllr Simon Henig

Thematic Lead Areas and Thematic Leads

- Chairs Portfolio - Councillor Graeme Miller
- Vice-Chair and Finance and Skills and Employment - Councillor Simon Henig
- Transport - Councillor Martin Gannon
- Economic Development and Digital - Councillor Tracey Dixon

Leadership Board

Agenda Item 8

Date: 15 December 2020
Subject: Designation of Statutory Officers
Report of: Deputy Monitoring Officer

Executive Summary

The purpose of this report is to confirm the appointment of a number of Statutory Officers, including the appointment of Deputy Statutory Officers, for the North East Combined Authority (NECA) with immediate effect.

Recommendations

It is recommended that the following appointments are made from with immediate effect.

1. Patrick Melia, Chief Executive of Sunderland City Council, is appointed to the role of Head of Paid Service for NECA;
2. John Hewitt, Chief Executive of Durham County Council, and George Mansbridge, Corporate Director Regeneration and Environment and Acting Head of Paid Service at South Tyneside MBC, are both appointed as Deputy Heads of Paid Service for NECA;
3. Sheena Ramsey, Chief Executive of Gateshead MBC, continues in the role of Lead Chief Executive for Transport;
4. Paul Darby, Head of Financial and HR Services at Durham County Council, is appointed to the role of Resources Lead (including Chief Finance Officer / Section 73 Officer responsibilities) for NECA;
5. An Officer be appointed to the position of Deputy Resources Lead from Durham County Council, to provide Deputy Chief Finance Officer / Deputy Section 73 Officer responsibilities for NECA;
6. Mike Barker, Strategic Director, Corporate Services and Governance at Gateshead MBC is appointed to the role of Monitoring Officer (Transport);
7. Nicola Robason, Head of Corporate and External Affairs at South Tyneside MBC is appointed to the role of Monitoring Officer (Core NECA).

Leadership Board

1. Background Information

- 1.1 The North East Combined Authority (NECA) is required to appoint three Statutory Officers to ensure that it complies with statutory requirements.
- 1.2 In accordance with the NECA Constitution the Leadership Board is responsible for appointing Statutory Officers and Deputy Statutory Officers.

2. Proposal

- 2.1 The Leadership Board are requested to agree the further appointments as outlined in this report. To address holidays and other absences, Deputy Statutory Officers have also been recommended to provide additional capacity as well as discharge functions during absence.
- 2.2 The recommended post holders are:
 - i. Patrick Melia is appointed to the role of Head of Paid Service
 - ii. John Hewitt is appointed to the role of Deputy Head of Paid Service
 - iii. George Mansbridge is appointed to the role of Deputy Head of Paid Service
 - iv. Sheena Ramsey continue in her appointed role of Lead Chief Executive for Transport
 - v. Paul Darby is appointed to the role of Resources Lead (including Chief Finance Officer / Section 73 Officer responsibilities)
 - vi. A Deputy be appointed to the position of Deputy Resources Lead from Durham County Council
 - vii. Mike Barker is appointed to the role of Monitoring Officer (Transport)
 - viii. Nicola Robason is appointed to the role of Monitoring Officer (Core NECA)

3. Reasons for the Proposals

- 3.1 The Combined Authority is required to have three Statutory Officers in accordance with legislative requirements; Head of Paid Service, Chief Finance Officer and Monitoring Officer. As a clear demonstration of the discharge of accountable body responsibilities and statutory requirements, Statutory Chief Officers should ideally be independent officers in permanent employment, separate from the delivery of activities for which they are accountable.

4. Alternative Options Available

- 4.1 Option 1 - appoint those suggested in the recommendations

Leadership Board

Option 2 - recommend that Officers undertake a separate exercise to identify alternative appointments and return to the NECA Leadership Board for approval

5. Next Steps and Timetable for Implementation

- 5.1 Following appointment, the Statutory Officers will be able to immediately discharge the necessary functions in accordance with their role and as outlined in the NECA Constitution.
- 5.2 No formal or detailed handover process is required as these positions have been established and operating for some time. This is simply a re-refresh exercise following the retirement of two previous Statutory Officers.

6. Potential Impact on Objectives

- 6.1 There are no other known impacts on objectives within this report.

7. Financial and Other Resources Implications

- 7.1 The financial implications of the proposals will already be reflected in established Service Level Agreements and are provided for in the agreed NECA budget. There will simply need to be a re-alignment of some SLA arrangements to reflect the refreshed appointments.

8. Legal Implications

- 8.1 The Combined Authority is required to appoint the posts in accordance with statutory responsibilities.

9. Key Risks

- 9.1 There are no key risks associated with this report, provided the post holders have the necessary capacity to undertake the role.

10. Equality and Diversity

- 10.1 There are no known equality and diversity implications as a result of this report.

11. Crime and Disorder

- 11.1 There are no known crime and disorder implications as a result of this report.

Leadership Board

12. Consultation/Engagement

- 12.1 Consultation has taken place with a range of internal stakeholders from the four NECA Constituent Authorities and a decision by the Leadership Board is now required to confirm the changes.

13. Other Impact of the Proposals

- 13.1 There are no other known impacts on these proposals.

14. Appendices

- 14.1 There are no appendices to note.

15. Background Papers

- 15.1 NECA Leadership Board, 5 February 2019

16. Contact Officers

- 16.1 Nicola Robason, Deputy Monitoring Officer,
Nicola.Robason@southtyneside.gov.uk, Tel: 0191 4247186

17. Sign off

- 17.1
- Head of Paid Service: ✓
 - Monitoring Officer ✓
 - Chief Finance Officer: ✓

18. Glossary

- 18.1 NECA – North East Combined Authority
SLA – Service Level Agreement