

Overview and Scrutiny Committee

9 February 2021

(10.00 am - 1.10 pm)

The meeting was held remotely

Approved Minutes Minutes

Present:

Chair: Cllr G A Roughead
Vice Chair: Cllr L Wright

Councillors: S Fairlie, A Lower, G Stewart, P Earley, S Graham, M Hall and L Dunn

90 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the virtual meeting.

91 APOLOGIES

Apologies were received from Cllr S Dungworth. Cllr L Dunn attended as a substitute for Cllr Dungworth

92 DECLARATIONS OF INTEREST

None

93 AGREE THE MINUTES OF THE MEETING HELD ON 8 DECEMBER 2020

RESOLVED – that the minutes of the meeting held on 8 December 2020 were agreed as a correct record and signed by the Chair via email.

94 CABINET MEMBERS PORTFOLIO UPDATE

(a) Housing and Land

Mayor Redfearn had previously provided a briefing note, a copy of which was

circulated and attached to the Official Minutes.

Mayor Redfearn provided a verbal update on his portfolio highlighting the following points:

At the heart of the work of the Housing and Land Board is collaboration, achieving considerable progress over the last twelve months. Driving the goals is the aim of increasing the baseline for houses from 1800 a year to 3000 by 2022. There are areas of deprivation across the North of Tyne and all families deserve decent quality housing.

The team works closely with Local Authority partners, with regular advice and oversight from a Housing and Land Board comprised of senior level private, public and social sector partners.

Achievements over the last year are:

- Establishing a set of operating principles underpinning work that has been developed in partnership with partner Local Authorities, and which were formally ratified by Cabinet in April 2020.
- Unlocking a £500,000 Housing Business Case Development Fund – providing resource to support the development of business cases and unlock the necessary capacity to accelerate early delivery.
- Setup and early-stage delivery of a five year, £24m Brownfield Housing Fund – moving to ‘spades in the ground’ within months of funding award as a result of rapid and focused work from NTCA Cabinet and NTCA/LA teams.
- Formalising of a working relationship with Homes England (the Government’s housing accelerator) based on a joint pipeline of sites across the North of Tyne and the potential to unlock further resources and capacity.
- Development of a ‘joint infrastructure’ plan for North of Tyne – including the completed delivery of detailed work on the economic value of transport schemes to underpin this.
- Embedding shared housing and land ambitions within North of Tyne and cross-regional recovery strategies; and within major infrastructure schemes such as the Northumberland – North Tyneside – Newcastle line.

The first two sites to be approved are Scotswood Phase 2 and Newbiggin Hall; the Commissioner’s Quay and the North Shields Masterplan Area are expected to be approved in the near future.

To date 18 brown field sites have been agreed; these were detailed in Appendix 1 of the report

The Devolution Deal agreed with Government included a commitment to work with Homes England to progress strategic sites, identifying capacity and unlocking resources. The purpose of the Joint Pipeline is a better coordination of the sites,

involving each local authority. Seven sites have been identified across the three local authorities: Forth Yards, the Centre for Ageing and Vitality, Newburn Riverside and Scotswood Phases 4 and 5, Killingworth Moor, Tanners Bank, Northumberland Line Economic Corridor and Hexham cluster and Berwick cluster. A flexible action plan with clear deliverable timescales will be developed for each site.

Mayor Redfearn gave a brief outline on the development of a Joint Infrastructure Statement, a commitment set out in the original Devolution Deal. The Joint Infrastructure Plan will be developed in two ways; working with local authorities to prioritise investments already contained within Infrastructure Delivery Statements of each Local Authority; consideration will be given to the cross regional infrastructure requirements that will support future housing and growth. An important early piece of work has been the Cross Regional Transport Planning Framework which sets out a long term pipeline of schemes such as the Northumberland – North Tyneside – Newcastle railway line, an important strategic network link. Derelict land running alongside the line can be reclaimed and used to provide new homes. This was delivered through funding secured via the North of Tyne business case development fund.

Speaking about the next steps, Mayor Redfearn explained that the focus is on housing, continuing to work together with local authority partners, Homes England and stakeholders ensuring that there are benefits for tenants. The NTCA team will continue to ensure the continued delivery of the five year, £24m Brownfield Housing Fund, making certain that spending targets are met. The team will continue to promote and demonstrate the impact the work of the Combined Authority is having on communities. Continue to develop the Strategic Pipeline ensuring that each site has a specific work plan with realistic timescales and resources. Before moving to questions Mayor Redfearn explained that the Housing and Land portfolio and the work involved with Brownfield sites is an opportunity to tackle regeneration, provide employment opportunities, enable young people to access apprenticeships and involve the local building industry in the development of sites.

Mayor Redfearn responded to comment/questions from Members which included:

- A member welcomed the progress with Brown Field sites and the projects identified in the report. Mayor Redfearn was asked what support can be given to sites under private ownership once development has commenced on local authority owned land. A question was also asked as to whether young people can be given support to access the housing ladder, what percentage of housing on local authority owned land can be made available to young people and will the Combined Authority ensure that all new homes are environmentally sustainable. In responding Mayor Redfearn explained that the Housing and Land Board will need to work with private land owners and Homes England to progress site development. Assisting young people to access the housing ladder is important and the Housing and Land Board will also look at supported living accommodation. Referring to green homes, Committee were advised that the Housing and Land board are already working with partners to ensure that all new houses are environmentally sustainable.

- Referring to partnership working with local authorities and Homes England, Mayor Redfearn was asked if this would give credence to those private land owners who have held onto sites for a considerable length of time, was there a possibility of cash incentives to enable derelict land to be cleared. A question was also asked as to whether development sites can have a banner displayed advertising the fact that the Combined Authority is progressing the work and, can the Housing and Land Board investigate various types of tenures. In responding Mayor Redfearn advised that banners are already being made. Homes England, who have a very strong relationship with the Housing and Land Board and the Combined Authority, have requested that strong business cases be submitted for the projects currently agreed to aid faster development.
- A member referred to the sites listed in Appendix 1 and requested information on the plans for each site in respect of the types of dwellings, numbers to be built and development stages for each site.
- Reference was made to infrastructure, roads and transport and the vital links between shopping and housing. Ideally new housing sites would have the infrastructure in place to support communities and thereby reducing journeys to out of town supermarkets and retail sites. Mayor Redfearn was also asked if support could be given to transport providers such as Nexus who are currently under financial pressure due to the impact of Covid-19 and the bus operators who whilst providing a service to communities are at the same time reducing the number of journeys. In responding Mayor Redfearn explained that some of the Brownfield sites are close to town centres and advised that elements such as schools, shopping and infrastructure will be considered at the planning stage. Proposals for each site can be shared with Committee Members. Referring to transport, Mayor Redfearn agreed that transport connections are vital and are also linked to the green agenda.
- A Member asked what criteria is used to select Brownfield sites as those listed in Appendix 1 are projects that will be easy to deliver. There are other good sites but remedial costs would be high. In response Mayor Redfearn explained that when the Combined Authority was awarded the £24m of funding in July 2020 it was on the understanding that the Authority would be able to demonstrate that the funding would be used on clear, deliverable projects.
- Several comments were made in relation to opportunities to regenerate town centres, increased footfall on the high streets, reinvigorating communities, Homes for Life, future builds that can be adapted for an ageing population. H Kippin gave assurances that the building trade have representatives on the Housing and Land Board and discussions do take place in respect of Homes for Life.
- H Kippin addressed two of the points raised. He advised that information will be circulated as to the current position on each site and, the reason certain sites are prioritised is because the Authority have to be able to deliver in a short space of time.

The Chair thanked Mayor Redfearn for attending and addressing the meeting.

RESOLVED – that the Overview and Scrutiny Committee noted the report.

(b) **Business Competitiveness**

Cllr Forbes had previously provided a briefing note, a copy of which was circulated and attached to the Official Minutes.

Cllr Forbes provided a verbal update on his portfolio concentrating on three broad areas of activity and highlighting the following points:

The Combined Authority has moved very quickly to provide additional support to businesses who are struggling during the Covid-19 pandemic. The North of Tyne team have been flexible and responsive.

Digital Sector – the Covid-19 pandemic has demonstrated the importance of a digital sector and improved digital connectivity. The North of Tyne have invested an overall budget allocation of £10m to support an ambitious Digital Growth and Innovation Programme. Cllr Forbes drew attention to the potential for a digital divide between different geographical areas and different generations. The North of Tyne are refocussing activities to ensure that where there is a tendency of a digital divide, work is reshaped. Linked to this is the challenge to close the education gap for children who have been affected by the lack of schooling over the last year.

Green Growth Sector – significant work has been carried out to decarbonise heat, transport and energy. There are expressions of interest in respect of the Green New Deal Fund, felt to be one of the major growth areas for the future. Cllr Forbes stressed the importance of generating income and providing match funding. The North of Tyne are currently lobbying government regarding an expected announcement in respect of a Green Budget. Conversations also need to be held with communities about how residents can be taken through a period of change that will feel positive; the last economic restructure was the shift from manufacturing in the 1980's with the loss of the steel and mining industries.

Aging Sector – the North of Tyne continue to work with the National Innovation Centre for Ageing to explore proposals for investment that would boost the capacity of our region to improve the experience of aging across our society. By working across all sectors of our economy, we hope to unlock social and economic value and position the region as an international leader in ageing well and the ageing and longevity economy.

As a final point Cllr Forbes commented that the challenging year would have been more difficult if the three partner local authorities did not have the value of the Combined Authority, bringing jobs and prosperity to the region.

Cllr Forbes addressed questions and comments from Members which included:

- A member referred to the devolved Adult Education Budget and asked if there was potential for some of the funding to be used to provide digital connectivity for residents, enabling them to develop skills. Reference was

also made to the use of community centres and libraries as possible venues that could provide training. In response Cllr Forbes explained that work was underway to provide ultrafast broadband to homes and communities, therefore providing greater opportunities for the use of community buildings. The correct infrastructure will create equal opportunities for those living outside of town and city centres and assist in retraining.

- A Member referred to the comments made in relation to the restructure of the economy in the 1980's and the move away from manufacturing industries. Cllr Forbes was asked what the steps the North of Tyne were taking to enable training and the matching skill sets needed for future employment. In responding Cllr Forbes commented that the difference between the restructure during the 1980's and now is that employment is more locally led and young people should not have to move away from home to find employment. There are major changes in the service sector as a result of the Covid-19 pandemic such as employees working from home. This enables the area to be marketed as a good place for global businesses to locate to. Cllr Forbes referred to the London based businesses who are looking to relocate to mitigate the rising costs in renting large office venues.
- Cllr Forbes was asked a question regarding the bid submitted for a Freeport. What briefing the leaders of the 7 local authorities have had, will a Freeport be good for the economy and are there any concerns in respect of employment rights. Cllr Forbes confirmed that the LA7 group had spent considerable time ensuring that the bid matched the ambitions for how people will be treated, how people will be employed and how the economy would work. There are concerns in relation to displacement activity in Freeport areas and business rate retention and the possibility that those businesses within a Freeport area will pay lower tax rates than those outside of a Freeport area.
- A Member referred to the spending recovery announcement and the Shared Prosperity and Levelling Up Funds and asked Cllr Forbes if Covid-19 recovery was now programmed into North of Tyne projects and, if so, has this made any difference to future prospects. In response Cllr Forbes explained that over the last year the North of Tyne have been providing support for practical requirements such as ensuring that businesses premises are Covid-19 safe. This provides opportunities to promote the area as a safe, secure place to visit. The Levelling Up Fund and Towns and Cities Funds are all national funds that the North of Tyne has to bid for.
- A Member referred to the Climate Change emergency declared by all councils in the region and the open green spaces in the North of Tyne area. Given that the Combined Authority will need to become carbon neutral Cllr Forbes was asked if any plans were in place to generate income for the Combined Authority area in terms of carbon credit that other authorities can buy into. Cllr Forbes explained that evidence has demonstrated that the greatest difference will be through reducing energy consumption in homes and commercial properties and reducing carbon output in transport. The three areas are the main focus for the North of Tyne. Cllr Forbes provided a brief explanation of the purpose of the £10m Green New Deal Fund.

- With the challenges of an ageing population and a reduction in those of working age, Cllr Forbes was asked if serious consideration needed to be given to future employment prospects. In response Cllr Forbes commented that the North of Tyne Cabinet are bold, visionary and forward looking. This give hope and purpose for the future and engenders a sense that the region is where people want to build their lives and enjoy a good quality of life. Part of the vision for success in that the region is a net contributor and not a net recipient to the UK economy. Whilst there are challenges ahead the North of Tyne is confident that with the right investments and willingness to succeed the region will prosper.

The Chair thanked Cllr Forbes for addressing the Committee.

RESOLVED - that the Overview and Scrutiny Committee noted the report.

95 **COVID-19 NTCA RESPONSE AND RECOVERY PLANS**

Submitted: Report of the Director of Economic Growth (previously circulated and a copy attached to the Official Minutes).

H Kippin introduced the report which is one of a series of reports updating the NTCA Overview and Scrutiny Committee on the role NTCA is playing in supporting COVID-19 response and recovery in the region. It builds on the framework set out in the report to the December Overview and Scrutiny Committee – noting additional developments since that point including an early assessment of outcomes from the Spending Review.

During the presentation Members received a quick snap shot with the following points:

Context – Since the previous meeting the vaccination strategy has progressed, and it was expected that the Prime Minister will shortly address the nation to explain how the lockdown will be eased. On the ground Response and Recovery is ongoing with strong collaboration across sectors and ongoing discussion with government. The implications of Brexit are still unfolding and the LA7 group have submitted a bid for Freeport status. If granted this would include the 3 ports and the airport. Information on the budget is expected in early March. It is anticipated that further detail will be provided on several funding measures. Jobs and Skills are progressing but there are other factors to consider; the government are looking at what benefits will be required for those who come off furlough and will rely on benefits and programmes to support people back into work.

Pandemic Impacts – Discussions have taken place at the North of Tyne Cabinet about the impacts of the Pandemic, a once in a generation shock which has impacted on families in terms of bereavements, employment and communities and struggling high streets. Work patters have changed with the majority of work forces working from home and the need to adapt to digital methods of working. The governments approach has focussed on mitigation and is driven by Whitehall. Recovery for the North of Tyne will be what good looks like regionally. The

Pandemic has provided opportunities to move forward on green energy and inward investment, creating new jobs.

Themes – 5 themes have been built into the Covid Recovery Plan.

- Jobs, skills and livelihoods
- Accelerating transition to the future economy
- Supporting businesses, high streets and places
- Fiscal innovation, health and prevention
- Transport, infrastructure and connectivity

Building on quick progress - recovery is aligned around the investment decisions already agreed by Cabinet and are important to the North of Tyne. Investments are in areas where transition will be necessary.

Skills and Welfare Interventions – H Kippin provided a quick update and further details on skills and welfare interventions where Members have previously sought further clarification.

- Adult Education Devolution - flexibilities have been built in to support learners and providers and new ways of working. The Combined Authority are now expecting the funding for year 2.
- Kick Start – the North of Tyne are supporting an initial 67 placements through 13 employers and more placements are in the pipeline.
- Apprenticeship Hub – the North of Tyne have developed an apprentice hub and are investing in a digital platform to create a single front door for young people and employers. The aim of the hub is to be ready for future funding rounds that can be accessed quickly.
- Youth hubs – officers are working with the DWP to support quicker routes into training and work for young people. The youth hubs will require some funding from local authorities.
- Digital exclusion – an early investment was made to support digital exclusion, unlocking approximately £600k to provide connectivity and devices to vulnerable adults and children over the summer

Next steps – ensure that the team retain the confidence to deliver progress on the ground maintaining flexibility and innovation. Active work is ongoing with Government to secure a recovery funding package for the North of Tyne and the wider north east region. Cabinet continue to develop a medium term programme. Members noted that the Combined Authority team is small but the care, welfare and work life balance of staff is ensured at all times in what are challenging circumstances.

Questions and comments from Members included:

- A Member requested a copy of the presentation.
- Reference was made to digital exclusion and the problems faced by many families in accessing school meal vouchers online, providing home schooling and the job recruitment process. H Kippin was asked if there was any possibility of using the funding for digital exclusion to work with

Adult Education providers to develop basic IT skills. IN response H Kippin advised that local authorities have developed a number of measures and a report has been produced which identifies the gaps in IT skills. Work has begun on joint investment with the private sector but intervention is still required at a national level.

- A Member spoke about church services many of which are currently held using Zoom but are not accessible by many of the older population leading to increased levels of isolation. A question was asked as to whether any support can be provided to address the situation. In response H Kippin recognised the concerns raised and gave assurances to factor in to support packages.
- H Kippin was asked how the Combined Authority is submitting a bid for Freeport status and how can the authority demonstrate that a Freeport is for the benefit of the economy and the region and not seen as a tax haven for larger commercial enterprises. Reference was also made to the fact that there are more than 3 ports in the region. H Kippin acknowledged the number of ports in the region and advised that the Freeport submission was a competitive process and is a joint collaboration of the Combined Authority, the LA7 group, the North East LEP and stakeholder partners. In terms of the economy, the bid is strongly aligned to the North of Tyne and is framed to include clean technology encompassing, the digital economy, economic growth and net zero emissions.

Committee Members praised all staff for their commitment to the North of Tyne what are extremely challenging circumstances.

RESOLVED - that the Overview and Scrutiny Committee noted the report.

96 **BREXIT UPDATE**

Submitted: Report of the Chief Economist (previously circulated and a copy attached to the Official Minutes).

Members considered the report the purpose of which was to provide a short update to Overview and Scrutiny Committee on the EU-UK Trade and Co-operation Agreement, which came into effect from 1st January of this year.

Points highlighted included:

Since the last meeting of the Committee on 8 December 2020 a deal has been agreed; the EU-UK Trade and Co-operation Agreement allows for zero-tariff, zero-quota, trade in goods. The deal included level playing field provisions in respect of environmental and employment rights, stated aid and tax.

Smaller business in particular will face some challenges in regulatory requirements. The shellfish sector is struggling, impacting on the industry at the North Shields Fish Quay who are not able to export their full quota. Conversations with the Fish Quay Management Company revealed that before December 2020 they were exporting 20 pallets of shellfish, since December it was now only exporting 2 pallets.

Comments and questions from Members

- Reference was made to the Freeport bid and whether if successful it would include the North Shields Fish Quay. In response the Chief Economist explained that the Freeport provides opportunities for manufacturing businesses and those businesses wishing to relocate. The issues for the fishing industry, including shell fishing relate to the regulatory requirements which will probably not be resolved by the creation of a Freeport.

RESOLVED – that the Overview and Scrutiny Committee noted the report.

97 **Q3 BUDGET MONITORING**

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

The report informed the Overview and Scrutiny Committee of the 2020-21 Q.3 Budget Monitor position from December to the year end on the Corporate Budget, the Investment Fund, the Adult Education Budget (AEB) and, the Brownfield Housing Fund in addition to the potential position on reserves at the year end.

Members were requested note the report.

Questions/comments from Members

References were made to work undertaken in relation to workforce planning to explore the capacity of the NTCA. Once finalised, the Chief Finance Officer was asked if information on the Corporate Staffing Structure could be shared with the Overview and Scrutiny Committee.

RESOLVED that the Overview and Scrutiny Committee –

- 1) Noted the report.
- 2) Requested sight of the future Corporate Staffing Structure once completed.

98 **CABINET'S RESPONSE TO THE COMMITTEE'S RECOMMENDATIONS ON THE 2021- 2025 BUDGET PROPOSALS**

Submitted: Report of the Governance and Scrutiny Manager (previously circulated and a copy attached to the Official Minutes)

The purpose of this report was to inform the Overview and Scrutiny Committee of Cabinet's response to the committee's recommendations on the 2021-2022 Budget Proposals and included the final proposals as agreed at Cabinet on 26 January 2021. Members had discussed the draft budget proposals at the workshop on 12 January 2021 and considered that Cabinet should agree the recommendations as set out in the budget proposals.

RESOLVED – that the Overview and Scrutiny Committee noted the report.

99 **WORK PROGRAMME UPDATE**

Submitted: report of the Governance and Scrutiny Manager (previously circulated and a copy attached to the Official Minutes).

Members considered the report the purpose of which was to update the committee on progress against the work programme and seek agreement to establish a working group on co-production to examine the different approaches and models and consider how co-production could be applied to the work of the NTCA.

In the ensuing discussion Members debated what would be suitable topics for a working group to explore. There was a view that a suggestion has already been put forward to explore the role of transport in its wider remit. The Governance and Scrutiny Manager advised that she was in discussion with colleagues at the North East Combined Authority on the exchange of information between Scrutiny Committees on transport but transport is not within the remit of the North of Tyne Overview and Scrutiny Committee. There are also Members of the Overview and Scrutiny Committee who are members of the Joint Transport Committee's Overview and Scrutiny Committee. A suggestion was made that transport implications could be linked to brownfield sites.

Committee agreed that the membership of the co-production group will be Cllrs Roughead, Wright, Lower, Stewart and Graham.

RESOLVED that the Overview and Scrutiny Committee –

- 1) Agreed to establish a working group on co-production.
- 2) Agreed its membership.
- 3) Agreed the remit for the working group as set out in paragraph 1.3 of the report.

100 **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.

101 **NORTH EAST LEP UPDATE**

Submitted: Report of the North East LEP Chief Executive (previously circulated and a copy attached to the Official Minutes).

The Chief Executive gave a brief summary of the report the purpose of which was to provide an update to the Overview and Scrutiny Committee on the work and decisions of the North East LEP from September to December 2020 with a focus on project funding decisions related to the programmes managed by the North East LEP.

Further details of spend and the impact of Covid 19 were set out in the two confidential appendices.

Comments and questions from Members:

- A Member referred to page 48, Annex 1 of Appendix A COVID 19 Response Fund and the projects listed. Additional information was requested as the projects did not appear to be Covid 19 related.
- Reference was made to Appendix B table 4 – Key Performance Indicators. The Chief Executive was asked to explain what seemed to a huge difference between Quarter 1 and Quarter 2 and the year-end costs. It was agreed to circulate the Quarter 3 position to Members.
- A Member referred to table 4 Appendix A, Crowd Fund North East Fund and requested additional information on the 11 projects that were rejected or withdrawn.

RESOLVED that –

The Overview and Scrutiny Committee noted the report.

The additional information requested in the above points be circulated to Members.

102 **DATE AND TIME OF NEXT MEETING**

23 March 2021 at 10.00am