

A meeting of the: **Cabinet**

will be held on: **Tuesday 10 June 2025**

at: **2.00pm**

in: **The Story, Mount Oswald, South Road, Durham, DH1 3TQ**

The meeting will be livestreamed and available to view on the Authority's YouTube channel via ([www.youtube.com/@NorthEast\\_CA/streams](https://www.youtube.com/@NorthEast_CA/streams)).

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## AGENDA

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Page No

1. **Apologies**  
To record any apologies for absence and the attendance of any substitute members.
2. **Declarations of Interest**  
Cabinet Members are required to declare any registerable and/or non-registerable interests in matters appearing on the agenda, and the nature of that interest, in accordance with the Authority's [Code of Conduct for Members](#).
3. **Announcements**  
To receive any announcements from the Mayor and/or the Chief Executive.
4. **Minutes**  
To confirm as a correct record the minutes of the previous meetings held on 26 March 2025. 3 - 10
5. **Appointments to Cabinet, Committees and other bodies**  
To consider appointments to Cabinet, Committees and other bodies and recommendations of the Independent Remuneration Panel. To follow
6. **Overview and Scrutiny Committee Annual Report 2024/25**  
To receive the Annual Report of the Overview and Scrutiny Committee, to be presented by the Chair. 11 - 33
7. **Audit and Standards Committee Annual Report 2024/25**  
To receive the Annual Report of the Audit and Standards Committee, to be presented by the Chair. 34 - 44
8. **Delivering for the North East: Year One Delivery and Priorities for Year Two**  
To note the progress made in year one and the priorities for year two to deliver the short-term pledges set out in the Corporate Plan. 45 - 49

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|------|--|-----------|
| 9.   | <b>Opportunity for Everyone – Annual Equalities Report 2024-25</b><br>To endorse the annual equality report and approve new equality objectives for 2025-2028.   | 50 - 105  |
| 10.  | <b>The Regional Approach to Fulfil Ambitions for the North East Visitor Economy</b><br>To consider proposals to redesign and reconfigure NewcastleGateshead Initiative Ltd (NGI) as a new regional body for the delivery of regional visitor economy activity.   | 106 - 116 |
| 11.  | <b>Delivering the Mayor’s Local Transport Plan</b><br>To consider investment proposals to deliver the Mayor’s vision for a safe, integrated and green transport network as outlined in the Local Transport Plan.   | 117 - 124 |
| 12.  | <b>Creating the Home of Real Opportunity – SHINE Employer Accreditation Programme</b><br>To note and endorse the objectives of the SHINE good employer accreditation programme and to note forthcoming engagement initiatives.   | 125 - 138 |
| 13.  | <b>Brownfield Housing Programme Fund</b><br>To consider the allocation of additional resource to the existing Brownfield Housing Fund Programme.   | 139 - 144 |
| 14a. | <b>Home of the Green Energy Revolution: Newcastle College Energy Expansion</b><br>To consider an allocation of Investment Zone funding to enable the expansion of the Newcastle College Energy Academy in Wallsend.  | 145 - 149 |
| 14b. | <b>Exclusion of Press and Public</b><br>To consider passing the following resolution:<br>“Resolved that under Section 100A(4) of the Local Government Act 1972 (as amended) and having applied a public interest test as defined in Part 3 of Schedule 12A of the Act, the press and public be excluded from the meeting for consideration of the following appendix on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Act.” (Information relating to the financial or business affairs of any particular person (including the authority holding that information).) |           |
| 14c. | <b>Home of the Green Energy Revolution: Confidential Appendix</b><br>To consider an in-principle allocation from the North East Investment Zone programme to support business investment in the Zone.  | 150 - 151 |
| 15.  | <b>Next Meeting</b><br>To note that the next meeting of Cabinet is scheduled to be held on Tuesday 22 July 2025 at 2.00pm.   |           |

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## **Cabinet**

**18 March 2025**

(2.00pm)

Meeting held in: Mayors Parlour, City Hall, Sunderland

## **Minutes**

**Present:**

- Mayor Kim McGuinness (Chair)
- Councillor Tracey Dixon
- Councillor Martin Gannon
- Councillor Karen Kilgour
- Councillor Amanda Hopgood
- Councillor Kevin Johnston
- Councillor Glen Sanderson
- Councillor Carl Johnson
- John McCabe, Business Cabinet Member
- Martin Brookes, CVS Cabinet Member

### **C71/03/25     Apologies for Absence and Substitutes**

Councillor Michael Mordey, Councillor Kevin Johnston attended the meeting as his substitute.  
Dame Norma Redfearn DBE, Councillor Carl Johnson attended the meeting as her substitute.

### **C72/03/25     Declarations of Interest**

John McCabe declared in relation to the item on Creating Real Opportunity: The Interim North East Local Growth Plan – He is the Chair of the North East Chamber of Commerce, which is the lead representative body on the local skills improvement plan.

### **C73/03/25     Mayor's Announcements**

In her announcements Mayor Kim McGuinness:

- Thanked the Cabinet and officers for all the support during her recent absence. She also thanked the NHS that supported her and did everything to ensure she recovered well.
- Congratulated Newcastle United for winning the Carabao cup, expressed the hope that Sunderland AFC would secure promotion to the Premiership and that Gateshead FC progress to the play-offs and gain English Football League status.
- Welcomed the new Directors, who had all begun work this month:
  - Charlotte Carpenter – Director of Skills, Inclusion and Public Sector Reform
  - Alan Reiss – Director of Operations
  - Phil Witcherley – Director of Economic Growth and Innovation.

- Welcomed the return after a period of illness of Tobyn Hughes – Director of Transport.
- Acknowledged that Dame Norma Redfearn would not be seeking re-election as Mayor of North Tyneside Council and what a loss that was. Mayor McGuinness thanked Dame Norma for her dedicated work in ensuring the North East achieved fully devolved powers. Dame Norma was the constant leader throughout the process, who was an inspiring voice across the region and a personal mentor. Several cabinet members also expressed their thanks stating that Dame Norma was an immensely popular and effective politician, who provided the stability and commitment throughout the devolution process and was dedicated to public service.

#### **C74/03/25     Minutes**

**Resolved** that the minutes of the meeting held on 28 January 2025 be confirmed and signed by the Mayor as a correct record.

#### **C75/03/25     The Mayor's Local Transport Plan and Transport Investments**

Cabinet received a report that sought endorsement of the Mayor's publication of the Local Transport Plan (LTP). The LTP had been finalised following extensive public consultation along with the LTP Delivery Plan. The report outlined £208m of Local Transport Plan projects, the first phase of £800m of investment the Mayor would make across the region's transport network over the next three-year period. The investment in the LTP Delivery Plan outlined Mayoral transport priorities and projects that would transform transport in the region by 2027.

Members welcomed the report, stating that the Plan and its investments would provide the infrastructure that would enable an accessible, reliable, affordable, and safe transport network; and was essential to residents to access services, education, training, and employment across the region.

The Mayor and Cabinet **Resolved to:**

1. Note the changes to the Local Transport Plan and LTP Delivery Plan that had been made arising from consultation responses as set out in Appendix D.
2. Publish:
  - a. The finalised Local Transport Plan shown in Appendix A and summarised in Appendix B
  - b. The LTP Delivery Plan shown in Appendix C
  - c. The LTP consultation overview and findings report shown in Appendix D
  - d. The Integrated Sustainability Appraisal (ISA) shown in Appendix E
  - e. The Transport Asset Management Plan shown in Appendix F
3. Delegate authority to the Chief Executive to:
  - a. Make minor changes to the LTP and its associated documents to reflect changes approved by Cabinet
  - b. Make any textual or grammatical corrections to the LTP and its associated documents.
  - c. Progress associated procurement activity and award contracts as set out in recommendations 4 and 5.
4. Accept the following transport grants, noting the associated conditions set out by the Department for Transport (DfT):
  - a. £116.852 million in capital funding through the City Region Sustainable Transport Settlement (CRSTS) for financial year 2025/26 as outlined in section 1.2.5.

18 March 2025



- b. £23 million in capital funding bringing Durham into the CRSTS programme in 2025/26 and 2026/27 as outlined in section 1.2.10.
- c. £9.85 million in resource (revenue) funding for capacity and capability building in support of CRSTS 1 delivery, and to build longer term local transport planning and delivery capacity as we look towards CRSTS 2 as outlined in section 1.2.12.
- d. £21.7 million of capital for increased highways maintenance in 2025/26 as outlined in section 1.4.
- e. £15.8 million in capital funding from the Local Electric Vehicle Infrastructure (LEVI) Fund as outlined in section 1.5.

5. Approve the investments set out below:

- a. £21.7 million of increased highways maintenance funding for 2025/26 to be allocated to constituent highways authorities as outlined in section 1.4.
- b. £0.45 million of CRSTS capacity funding for the procurement of a study which identifies infrastructure assets that are critical to the proper functioning of the regional transport network as outlined in section 1.3.7.
- c. £1.1 million of CRSTS capacity funding to procure a contract for the independent appraisal of transport schemes inclusive of those schemes in the CRSTS programme outlined in section 1.2.15.
- d. £15.8 million in LEVI Funding for awarding supplier contracts for all phases of delivery as outlined in section 1.5.
- e. £106.498 million of CRSTS capital funding inclusive of overprogramming, for the Active Travel Programme Business Case, with onward approvals of schemes to be managed through Finance and Investment Board, in line with the Single Assurance Framework as outlined in section 1.2.8.
- f. £8.180 million of CRSTS capital funding supplementing the £4.58 million of Transforming Cities Funding approved in July 2024 for the North Shields Ferry Landing scheme, delegating authority to the Chief Executive in consultation with the Mayor and Portfolio holder for Transport, subject to the conclusion of appraisal and due diligence in line with the Single Assurance Framework, to enter into a Grant Funding Agreement with Nexus to the value of £12.760 million.

## **C76/03/25      Creating Real Opportunity: The Interim North East Local Growth Plan**

Cabinet received a report that sought endorsement of the Interim North East Local Growth Plan, Creating Real Opportunity. The Plan would be a key strategic document for the region, setting out proposals for how to grow our economy and improve living standards. It covered the full range of the Combined Authority's programmes, connecting the National Industrial Strategy, and met the guidance for Local Growth Plans set out by National Government.

The Plan was structured around the Combined Authority's missions and set out a range of activities related to the growth of key sectors and cross-cutting issues including: investment in skills, improving access to employment, tackling child poverty, reducing the digital divide, improving housing, creating a better transport system, and increasing innovation.

It highlighted several ambitious outcomes to be achieved over the 10-year lifespan of the Plan, including:

18 March 2025

- Home to a growing and vibrant economy for all - Thousands more good jobs to be created, contributing to higher levels of employment and rising take-home pay.
- Home of the green energy revolution - The North East at the forefront of the low-carbon economy, with the region a national leader on the path to net zero.
- A welcoming home to global trade - Welcome international companies to the North East, exceeding national average levels of Foreign Direct Investment, whilst also seeing the proportion of international visitors increase.
- Home of real opportunity - Every child to have access to opportunity, while improvement in skills and health outcomes and a substantial reduction in child poverty.
- A North East we are proud to call home - More affordable and social homes to be built, alongside the delivery of a green, integrated, transport network that would connect everyone.

Following a period of consultation and engagement with Government and stakeholders in the region – supported by ongoing engagement with our Cabinet members, Business and Economy Board, VCSE Leadership Board, Universities, and other key partners – full publication of the Local Growth Plan would take place in Summer 2025.

Members stated that the Local Growth Plan was a strong document and with a lot of component parts that reflect the whole region. It was an important document that was built on a lot of evidence and collaboration. The Plan was clear about accentuating the positives of the region to start and grow for business and create wealth.

It was acknowledged that there was focus of the strength of the region in offshore wind and green energy, culture & creativity, and advanced manufacturing, digital and technology.

The Plan's emphasis on foundational economy was also noted, along with its focus on child poverty. It was also welcomed that the Plan recognised the role of Voluntary & Community sector and its contribution to growth in the region.

In response to a question on what the next steps in the promotion of the Local Growth Plan were and how the constituent local authorities would be able to support, the Mayor informed Cabinet that extensive consultation was planned which would include engagement in person, online and public roadshows and encouraged people to take part.

#### **Resolved:**

1. Approve the Interim North East Local Growth Plan, as a basis for consultation within the region;
2. Delegate approval to the Chief Executive, in consultation with the Mayor and appropriate Cabinet Members, to put in place appropriate measures to support the development and implementation of the priorities identified within the Interim Local Growth Plan, including in discussions with national government departments and agencies.
3. Agree to receive further updates on the Local Growth Plan, including a final version of the plan.

#### **C77/03/25 North East Combined Authority Excellence in Education Programme**

Cabinet received a report that sought approval to develop and deliver a North East Excellence in Education Programme, that looked to address regional educational disadvantage and delivering on the North East CA's Mission 1: Home of Real Opportunity.

The programme would operate to priorities emerging from the Mayor Child Poverty Reduction Unit and build upon the knowledge and insights of the seven constituent Local Authority School Improvement Teams. It would help to create a home of real opportunity, where all children and young people – regardless of their background - would have equal opportunities to realise their potential. Supporting children to access a better start in life, would improve life chances, unlock economic potential, and reduce pressure on public services in the long term. The Excellence in Education programme would support work within the Public Service Reform Portfolio and complement in-school careers programmes currently delivered within the Education, Inclusion and Skills portfolio.

Collaboration with the Department for Education (DfE) would ensure that the programme would complement emerging national initiatives, including new Regional Improvement for Standards and Excellence (RISE) teams.

No financial support package had been secured from the DfE, however there was commitment to address educational disadvantage and Special Educational Needs and Disabilities (SEND) provision pressures. The programme would ensure the positioning of future developments and funding from Government.

Priority one projects and interventions would focus on school attendance, social, emotional mental health and wellbeing of children and young people, and transitions into school and between phases for the most disadvantaged pupils.

Priority two would address development in literacy, oracy (speaking and listening) and mathematics for the most disadvantaged children and young people and promote cultural capital and personal development. There was recognition that the most impactful factor to support improved outcomes for children (especially those experiencing disadvantage) was quality of teaching.

Priority three focused on the skills, resilience, and leadership of teachers, to create a sustainable culture of excellence. This included coaching and mentoring, and high-quality professional development to complement existing provision.

Members welcomed the report.

#### **Resolved:**

1. Subject to full business case appraisal and in line with the Single Assurance Framework, approve an indicative funding allocation of £5,000,000 from the Investment Fund for a three-year North East CA Excellence in Education Programme, with authority delegated to the Chief Executive for implementation, in consultation with the Portfolio Holder and Finance and Investment Board.
2. Delegate authority to the Chief Executive to commence procurement activity and award contacts through the Children and Young People's Flexible Procurement Framework.

#### **C78/03/25      Unlocking Finance for North East Businesses to start and to grow**

Cabinet received a report that updated the work undertaken, including progress made on the procurement of Fund Managers for the new funds. The report sought final approval of the £70million of North East CA resources required to establish the funds, and for delegations to the Chief Executive to implement the proposals.

The investment would aid meeting the North East Mayor's commitment to support new and growing business across the region to create jobs and grow the regional economy and would be consistent with the CA's ambitions. The importance of access to investment to support business innovation and growth was also recognised in the Interim Local Growth Plan and Government's Plan for Small Business.

18 March 2025

Members welcomed the report and stated that it was a massive boost for the Small, Medium Enterprise community and universities.

**Resolved:**

1. The approach to unlocking finance for North East businesses to start and grow, as set out in the report, and for £70 million of North East CA Investment Fund to be invested into the creation of these new strategic investment funds, which are collectively expected to unlock over £350 million of investment in regional businesses and 2,300 jobs over 15 years.
2. That the Chief Executive, in consultation with the Mayor and relevant portfolio holders, is authorised to undertake the next steps and take decisions relating to implementation of the proposals, including all necessary procurement decisions, in line with the parameters approved by North East CA Finance and Investment Board, which include:
  - finalisation of the investment strategy and funding arrangements for the fund(s);
  - award of £70 million of funding, in the required proportion of grant and loan, to The North East Fund Limited, the regionally-owned holding company responsible for these funds.
3. To receive a future report on the overall status of financial arrangements now under the control of the North East CA, including legacy arrangements, and proposals on how they may be streamlined in terms of their operation, including any required future changes to the governance structures of the North East Fund Ltd to facilitate the approach set out.

**C79/03/25     Delivering our Ambition for the Regional Visitor Economy**

Cabinet received a report that sought endorsement to the direction of travel and approval to the approach set out in the report as the basis for further in-depth engagement with national strategic partners, existing Local Visitor Economy Partnerships, all North East local authorities, and the wider sector and business community. With the intention that a final proposed approach to increasing the Visitor Economy, including implications for existing delivery structures, would be considered by Cabinet in the summer 2025.

**Resolved to:**

1. Note the content of the report and endorse the proposals as the basis for a structured engagement programme with regional and wider industry stakeholders.
2. Agree to the provision of time limited financial support of £138,000 to deliver these proposals from the North East CA Investment Fund, matching the funding already committed by DCMS.
3. Receive a further report setting out the outcome of engagement and proposals for new regional capacity to deliver the region's ambition to grow the visitor economy, including financial and operational implications for the North East CA and partners.

*(Councillor M Gannon left the meeting at this point)*

**C80/03/25     The North East CA Strategic Risk Review (6 monthly update)**

Cabinet received a report that provided a 6-monthly update on the North East CA's strategic risks in line with the governance and risk management arrangements established within the North East CA's Risk Management Framework.

Cabinet reviewed the current strategic risks, scoring and proposed management actions set out in the report and considered whether there were any new or emerging risks for inclusion in the strategic risk register.

**Resolved:**

1. To agree the current strategic risks, scoring and proposed management actions at Appendix A.
2. That there were no new and emerging risks for inclusion within the strategic risk register.

**C81/03/25 Programme Delivery Update**

Cabinet received a report that provided an updated forecast of programme delivery expenditure for 2024/25 at Q3, as reported to Finance and Investment Board. The report included the Q3 corporate budget position, with details of variances.

**Resolved:**

1. Note the updated forecast programme delivery plan position for 2024/25; and
2. Note the corporate overheads position for 2024/25.

**C82/03/25 North East CA Adult Skills**

Cabinet received a report that provided an update on provision delivered through the North East Combined Authority devolved Adult Skills Fund (ASF) and Skills Bootcamp funding for the 6-month period from 1 August 2024 to 4 February 2025. The report also set out a proposed approach to allocating the ASF and Skills Bootcamp funds in financial year (FY) 2025-26 and sought Cabinet approval.

The report was welcomed, and it was stated that information presented demonstrated that targeted funding had positive outcomes including enabling people entry into employment.

**Resolved to:**

1. Note the progress that had been made on the delivery of the Devolved Adult Skills Fund (ASF) from 1 August 2024 and the North East CA's Skills Bootcamp programme from 1 June 2024.
2. Approve the proposal set out in paragraph 4.2 of the report that current Grant Funding agreements and Contract for Service in place for ASF funding in AY 2024-25 be extended for one year and providers receive an allocation for AY 2025-26 with a 2.8% reduction applied to core ASF delivery. This would result in 20 Grant Funding Agreements with an overall value of £48,041,216, and 25 Contracts for Service with an overall value of £14,268,173.

**C83/03/25 Exclusion of Press and Public**

**Resolved** that, by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, press and public be excluded because exempt information was likely to be disclosed and the public interest test against the disclosure was satisfied.

**C84/03/25 North East CA Adult Skills**

Cabinet considered and approved the information which included details of contracts and programmes for the delivery of Skills Bootcamps for FY 2025-26.

**Resolved to:**

1. Approve the proposal set out in paragraph 7.1 of the report that current Contracts for Service in place with providers for the delivery of Skills Bootcamps for FY 2024-25 be extended for a further financial year FY 2025-26. Extensions to the current Contracts for Service would utilise £16,673,259 of the £27,385,121 allocation.
2. Approve the proposal set out in paragraph 7.3 of the report to procure the remaining £9,350,498 of the FY 2025-26 Skills Bootcamp allocation by holding a mini competition for suppliers on the Adult Skills Procurement Framework in line with agreement made at November Cabinet.

**C85/03/25     Town Centre and High Street Transformation**

Cabinet received a report that sought approval of up to £18,204,912 of funding from the North East CA's Early Capital Fund and Investment Fund to South Tyneside Council to contribute toward the costs of developing a new 14,000 sqm college campus in South Shields town centre.

**Resolved to:**

1. Approve in principle the award of up to £18,204,912 of funding from the North East CA's Early Capital Fund and Investment Fund to South Tyneside Council to contribute toward the costs of developing a new 14,000 sqm college campus in South Shields town centre.
2. Delegate authority to the Chief Executive in consultation with the Mayor, relevant Portfolio Holders and the Finance and Investment Board to approve the final business case for the new South Tyneside College Campus and to take all steps necessary to implement the final business case in accordance with the Single Assurance Framework.
3. Agree to receive an update from the Chief Executive following approval of the business case.

**Title:** Overview and Scrutiny Committee Annual Report 2024/25  
**Report of:** Alan Reiss, Director of Operations

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## **Report Summary**

This report introduces the Overview and Scrutiny Committee Annual Report 2024/25. The Annual Report documents the role played by the Overview and Scrutiny Committee in reviewing and scrutinising the decisions taken by the North East Mayor and the North East CA Cabinet, monitoring delivery of its programmes and contributing to the development of its policy and strategies.

## **Recommendations**

Cabinet is recommended to receive and note the Overview and Scrutiny Committee Annual Report 2024/25.

### **A. Context**

- 1.1 The Scrutiny Protocol for English Institutions with Devolved Powers states that “an annual report should be published to broadcast the work of the Overview and Scrutiny Committee demonstrating how the committee’s work influences and benefits the outcomes of the institution and its strategic goals and priorities. For combined authorities, this should be formally considered by its constituent members.”
- 1.2 In accordance with this guidance an Overview and Scrutiny Committee Annual Report has been prepared in consultation with its members and substitute members. On 14 April 2025, members of the Committee agreed that the Annual Report be presented to Cabinet and the Audit and Standards Committee to demonstrate how it has undertaken its role over the past year. This is attached as Appendix A.
- 1.3 The Chair of the Committee during 2024-25, Councillor Colin Ferguson, will attend today’s meeting to present the Annual Report.

### **B. Impact on North East Combined Authority Objectives**

1. The Overview and Scrutiny Committee seeks to make a positive contribution to the delivery of the North East CA’s vision, policies and priorities as set out in the Corporate Plan by enabling local councillors, on behalf of their communities, to scrutinise and challenge the Mayor and Cabinet and to consider matters of strategic importance to residents within the North East CA area with a view to influencing their decisions and policy.

### **C. Key risks**

1. There are no risks associated with consideration of this report.

### **D. Financial and other resources implications**

1. There are no direct financial implications arising from this report.

### **E. Legal implications**

1. The North East CA is required to appoint an overview and scrutiny committee in accordance with the terms of the Local Democracy, Economic Development and Construction Act 2009.

**F. Equalities Implications**

1. There are no direct equalities implications arising out of the recommendations in this report. However, the Committee in exercising its functions is mindful of the Public Sector Equality Duty and the Authority's Equality Objectives.

**G. Consultation and engagement**

1. The annual report was prepared in consultation with members and substitute members of the Overview and Scrutiny Committee. The report was presented to members of the Committee at an inquorate meeting on 14 April 2025.

**H. Appendices**

Annex A – Overview and Scrutiny Committee Annual Report 2024/25

**I. Background papers**

[Scrutiny Protocol for English Institutions with Devolved Powers](#)  
[Minutes of the Overview and Scrutiny Committee](#)

**J. Contact officer(s)**

Alan Reiss, Director of Operations, [alan.reiss@northeast-ca.gov.uk](mailto:alan.reiss@northeast-ca.gov.uk)  
Michael Robson, Senior Governance Officer and Scrutiny Officer, [Michael.robson@northeast-ca.gov.uk](mailto:Michael.robson@northeast-ca.gov.uk)

**K. Glossary**

None





## Overview and Scrutiny Committee

### Annual Report 2024/25

Table of Contents	
Item	Pages
Foreword from the Chair of the Overview and Scrutiny Committee	3
The North East Combined Authority	4
The Overview and Scrutiny Committee	4
The Scrutiny Year 2024/25	4 - 5
Scrutiny Activity	5 - 8
English Devolution Accountability Framework and the Scrutiny Protocol	8 - 9
Further Information	9
Appendix 1 – Membership of the Overview and Scrutiny Committee 2024/25	10
Appendix 2 – Scrutiny Protocol Self Evaluation	

## Foreword from the Chair

It gives me great pleasure to introduce the first Annual Report of the North East Combined Authority's Overview and Scrutiny Committee.

Effective scrutiny plays a critical role in the functioning of local and regional government. It ensures that there is accountability within the Authority; that policy making is robust; and that a wide range of elected members are involved. We do this by reviewing and scrutinising the decisions taken by the North East Mayor and the North East Combined Authority Cabinet, monitoring delivery of its programmes and contributing to the development of its policy and strategies.



This report marks the end of the first year of the Committee's operation. We have begun to establish our role and status within the Authority and to develop the capacity, processes and relationships to operate effectively. I am delighted that, even at this early stage, the Committee has been able to deliver a balanced work programme both holding the Mayor and Cabinet to account for decisions made and seizing those opportunities to help shape and influence the Authority's plans and strategies ahead of decision making. I am particularly pleased that we have been able to scrutinise the Local Transport Plan, the Local Growth Plan, and to respond to timely developments over the course of the year.

I would like to express my thanks and appreciation to all those members and substitute members who have contributed to the work of the Committee over the past year. Without the input of committed members, we cannot hope to have the full impact we hope to make. I hope that many of those members may continue to serve as members so that the valuable knowledge and experience they have gained will not be lost. I am also grateful to those officers who have supported the scrutiny process throughout the year, particularly our Scrutiny Officer, Michael Robson, who works tirelessly behind the scenes to ensure that we function effectively.

The compilation of this report has provided us with an opportunity for reflection and review and to begin our preparations for 2025/26 and beyond. I am pleased that we have been able to make significant progress in our first year but it is clear a great deal of work remains to be done to develop, deepen and strengthen the scrutiny function. This work must involve not only the Committee and its supporting officers, but the whole organisation to ensure that Overview and Scrutiny becomes embedded as a normal and valued element of the Authority's governance and decision making arrangements.

Councillor Colin Ferguson  
Chair of the Overview and Scrutiny Committee



## **1. The North East Combined Authority**

- 1.1 The North East Combined Authority (North East CA) was created on 7 May 2024 to give effect to a devolution deal which was agreed between the Government and seven local councils in December 2022. The devolution deal provides the area with new powers and funding, including:
  - control of an investment fund over 30 years to be invested by the North East to drive economic growth and take forward its priorities as set out in its Corporate Plan;
  - new powers to improve and better integrate local transport, including the ability to introduce bus franchising and control of a key route network;
  - new powers to better shape local skills provisions to ensure these meet the needs of the local economy.
  - new powers and funding to drive place-based economic and to build more homes, with additional funding for building new homes on brownfield land.
- 1.2 In March 2024 a further ‘trailblazer’ deal was agreed which grants more control over transport, housing and skills, and makes available over £100 million of new funding that can be invested in the North East’s priorities including the use of innovation, technology and delivery to improve public services and to strengthen the region’s rural and coastal communities.
- 1.3 The North East CA is led by the North East Mayor, Kim McGuinness, and a Cabinet made up of the Mayor, Leaders from its constituent councils and representatives from the business and voluntary sectors. The Mayor and Cabinet determine the Authority’s plans and strategies and make key decisions.
- 1.4 More information about the work of the North East CA can be found on its website [www.northeast-ca.gov.uk](http://www.northeast-ca.gov.uk)

## **2. The Overview and Scrutiny Committee**

- 2.1 The North East CA is required to appoint an overview and scrutiny committee. The role of the Committee is to enable local councillors, on behalf of their communities, to scrutinise and challenge the Mayor and Cabinet and to consider matters of strategic importance to residents within the North East CA area with a view to influencing their decisions and policy. Effective scrutiny arrangements are an essential component of local democracy, enhancing accountability and transparency of decision making and enabling local councillors to represent the views of their constituents.

## **3. The Scrutiny Year 2024/25**

- 3.1 The Cabinet appointed the Overview and Scrutiny Committee at its meeting on 11 June 2024. The Committee comprises 14 councillors drawn from 7 constituent councils and reflects the political balance of the council’s taken together. The members of the Committee are supported by 14 substitute members. Details of the membership are set out in Appendix A
- 3.2 On 18 June 2024, members and substitute members came together at an informal workshop to:
  - a) receive an overview of the Authority, its functions, programmes and priorities;
  - b) establish a shared understanding of the role and focus of the Committee; and
  - c) begin to determine a work programme and ways of working.
- 3.3 At its first meeting on 16 July 2024 the Committee agreed to undertake a series of briefings with each Cabinet Member to receive an overview of the Authority’s strategic portfolio plans and help shape the development of its work programme. Following the briefings and further consultation with members a work programme was produced and approved by the Committee.
- 3.4 The work programme is a standing item on the agenda of Committee meetings to provide an opportunity for members to review the work programme, suggest items for inclusion and agree



any changes. The Chair and Vice Chair have also been authorised to review and revise the work programme as necessary to react to any changes within the Authority and ensure scrutiny on policy development as it evolves.

- 3.5 The Committee agreed to arrange two additional meetings to increase its capacity to undertake its role. Consequently, six meetings were arranged but three of these meetings were inquorate. Members and substitute members were also invited to join an informal workshop to examine in detail the Authority's proposed Budget and Corporate Plan.
- 3.6 At the conclusion of the year, members of the Committee conducted a workshop to review its operation, produce this annual report and begin to plan its work programme and ways of working for 2025/26 and beyond. At the workshop members reviewed the work of the Committee against the key principles contained in the Scrutiny Protocol, considered how the contents of the Corporate Plan could help inform development of the future work programme and discussed how members' time might best be utilised to add value to the work of the Authority.

#### **4. Scrutiny Activity**

- 4.1 The role of overview and scrutiny is often described in terms of being both reactive and proactive. Reactive, as it reviews and scrutinises decisions made and holds the Mayor and Cabinet to account. Proactive as it seeks to influence the formulation of the Authority's plans and strategies before decisions are made.
- 4.2 The following sections of the annual report describe the scrutiny exercises undertaken by the Committee over its first year of operation. Inevitably early activity was focussed on reactive exercises as members gained knowledge and understanding of the Authority's functions, programmes and priorities and as the Committee responded to the Mayor and Cabinet determining the Authority's early priorities. However, as the year progressed the Committee expressed a clear desire to be more pro-active and to create opportunities whereby members could help shape future policy and undertake pre-decision scrutiny.
- 4.3 **Mayoral Priorities**  
At the beginning of the year the Committee met with the North East Mayor, Kim McGuinness, to discuss her manifesto priorities and the associated opportunities and challenges. During questioning members discussed a range of topics with the Mayor including delivery of the Authority's seven strategic portfolio plans, the economic ambitions for the region which were likely to form the basis of the Local Growth Plan, the Authority's capacity to deliver major long term projects in the region, the varying transport needs of different areas and communities across the region and how and the Mayor's desire to secure from Government greater devolution of powers and a single funding settlement at the earliest opportunity. The Chair has also met informally with the Elected Mayor to share information about their respective work programmes and priorities.
- 4.4 **Child Poverty Reduction**  
The Committee examined the decision of Cabinet to allocate £2.7m from the Investment Fund to extend child poverty reduction work in schools, workplaces and families across the North East area during the 2024/25 academic year and to establish a Child Poverty Reduction Unit. Members queried whether the £0.5m to be invested in the establishment of the Child Poverty Reduction Unit would be better spent supporting existing child poverty prevention initiatives, examined how the programme would engage with hard to reach children who may not be attending school and considered the Authority's intention to draw together two different approaches to the child poverty reduction work in schools into a single unified programme which would still recognise and support local needs.

#### 4.5 **Mayor's Opportunity Fund**

The Committee welcomed the decision of Cabinet to establish a Mayor's Opportunity Fund as it would provide much needed investment in small and grassroots groups who were well placed to make a positive impact in their communities. Members also made comments to officers about the scale and delivery of the Fund. The Committee:

- highlighted the relatively small amount of investment (£1m over two years) compared to the amounts already being invested by constituent councils to support community groups;
- queried the need to appoint an external delivery partner when constituent councils had existing mechanisms in place to administer the promotion, awarding, monitoring and evaluation of grants
- asked whether support could be offered to community groups on how to apply for the grants;
- suggested that priority be given to applications from those organisations who have not previously been in receipt of grant funding so that the Fund could act to plug gaps in the sector;
- stated that some organisations required very small amounts of funding and whether there was a possibility of offering grants of less than £1000; and
- emphasised the importance of engaging and empowering grassroots organisations in communities to help tackle the issues of poverty and deprivation.

#### 4.6 **Bus Reform**

The Committee examined the decision of Cabinet to proceed with the preparation of a Bus Franchising Assessment. Members considered the extent to which existing knowledge and experience could be utilised in preparing for bus franchising, the implications of anticipated changes in the legislative framework, the impact of multi-operator, multi-modal capped tickets and the improvements to bus services which had been achieved through the Bus Service Improvement Plan and Enhanced Partnership.

#### 4.7 **Local Transport Plan**

In October the Committee considered the draft North East Local Transport Plan (LTP) which had been approved by Cabinet for public consultation. Members commented on the draft plan and the proposed public consultation exercise. The results of the consultation and a revised LTP were presented to the Committee in March 2025 for comment ahead of its submission to Cabinet for endorsement. Members expressed their support for a fully integrated public transport system including integrated ticketing and fares, welcomed the proportion of consultation responses received from women but queried how the needs of people with protected characteristics under the Equality Act would be given due regard and how the LTP aligned with the Authority's emerging equality objectives.

#### 4.8 **Highways Infrastructure Funding**

Following disruption caused by the closure of transport networks in and around the Gateshead flyover in December, the Committee undertook an exercise to better understand the roles and responsibilities of both the combined authority and local authorities with regards to maintaining highways and the Authority's proposed approach to the allocation of highways maintenance funding to local authorities as part of the City Region Sustainable Transport Settlement (CRSTS). The Committee emphasised the importance of both the Authority and its constituent councils fulfilling their respective responsibilities. It acknowledged it could play a role in reviewing the adequacy and delivery of the proposed approach by scrutinising the allocation of funding and assessing performance data collected by the Authority. The Committee also referred the matter to the relevant overview and scrutiny committee of each constituent council so that they might consider whether they wished to scrutinise their own authority's approach to the maintenance of highway infrastructure within this context.

#### 4.9 **Leamside Investment Corridor**

The Committee has taken a particular interest in proposals to develop a Leamside Investment Corridor, with the re-opening of the Leamside railway line at the heart of the corridor. The first phase will form an extension of the Metro system from Felling to South Hylton via Washington and the second phase would involve the re-opening of the southern leg of the line to Tursdale



Junction. The Committee considered appointing a task and finish group to examine the business case for the re-opening of the line but as this is not expected to be complete for some time members intend to receive regular reports at key points in the project to monitor progress.

#### **4.10 Education Improvement Programme**

The Committee met with the Cabinet Member for Education, Inclusion and Skills, Councillor Tracey Dixon, to help shape the new regional priorities and strategic direction of the education improvement programme from September 2025. At the conclusion of the meeting the Cabinet Member was asked to:

- a) ensure that the programme did not duplicate or replicate existing provision in an already congested education sector;
- b) place emphasis on how the programme could help improve attendance at school, reduce exclusions and reduce child poverty; and
- c) give consideration to the retention of teachers as well as their wellbeing and development.

#### **4.11 Supporting People to Seek Sustained Employment**

The Committee also discussed with Councillor Tracey Dixon, how the Authority could support people with disabilities, health conditions and additional barriers to seek sustained employment. The Cabinet Member was asked to give particular consideration to:

- a) working with employers and employer organisations to address the stigma associated with long term absences from work; and
- b) the needs of young people currently in education who may in the future experience different challenges in securing employment due to a loss of learning and social skills during the Covid pandemic;

#### **4.12 North East Strategic Place Partnership (SPP)**

The Committee have examined the development of the North East Strategic Place Partnership (SPP) and commented on its future strategic direction. Members paid particular attention to the extent to which the development of brownfield sites will deliver the Government's housing targets and the relationship between local plans, to be determined by constituent councils on how housing targets will be delivered, and the SPP, whose focus will be to support the delivery of housing according to local priorities and by unlocking challenging sites.

#### **4.13 North East Environmental Stewardship, Coast and Rural Growth Investment Plan**

The Cabinet approved an Environmental Stewardship, Coast and Rural Growth Investment Plan to create and deliver new solutions to environmental stewardship and coastal and rural growth opportunities and challenges. In scrutinising the plan the Committee examined how the Authority would balance different, potentially conflicting aims, such as recovering local nature and preserving land whilst also supporting tourism, economic growth and house building and explored the opportunities to develop and implement high integrity carbon and nature markets to repair and restore landscapes and nature and to attract inward investment which would generate biodiversity net gain, nature recovery and reduce carbon emissions.

#### **4.14 Unlocking Finance for North East Businesses to start, and to grow**

The Committee examined proposals to create new equity and loan products for regional businesses underserved by the mainstream market. The Committee sought assurances as to how the risks associated with the funds would be managed, considered whether the initial recyclable investment represented value for money and agreed to continue to review the management of the funds.

#### **4.15 Budget, Medium Term Financial Plan and Corporate Plan**

The Authority's constitution provides the Committee with an important role in contributing to the formulation of the Authority's Budget and Corporate Plan. In accordance with these rules the Committee were invited to comment on the Authority's initial proposals. The final proposals were presented to members at an informal a budget workshop held in January 2024. At the

conclusion of the workshop members agreed not to put forward comments and/or recommendations for consideration by Cabinet. In doing so they expressed a need to develop and strengthen mechanisms within the Authority to provide the Overview and Scrutiny Committee with the information and understanding required in order that they may make informed and evidence based recommendations. Learning from this first year of operations, it was suggested that in future years the Committee should receive supplementary information, in addition to the reports presented to Cabinet, to better understand the rationale for the budget proposals and to enhance the scrutiny exercise.

#### 4.16 **Budget and Performance Monitoring**

The Committee has received budget monitoring information, showing the updated positions for the corporate budget and delivery programmes and summaries of performance in relation to the Authority's programmes. Members have confirmed their desire to examine on a regular basis budget monitoring and performance management reports. Members also asked that they be provided with training to help them to read and interpret the Authority's budget monitoring reports.

#### 4.17 **Equality Objectives**

The Committee were presented with details of the progress made towards delivery of the Authority's Equality Objectives for 2024/25 and were invited to comment on the plans for setting longer term objectives for 2025-2028, ahead of submission to the Cabinet for approval in June.

### 5. **English Devolution Accountability Framework and the Scrutiny Protocol**

5.1 Throughout the year the Committee has been mindful of the Government's expectations of overview and scrutiny in a combined authority as set out in the English Devolution Accountability Framework (EDAF) and the Scrutiny Protocol for English institutions with devolved powers. The Protocol sets out 18 key principles for good scrutiny. The Committee has undertaken a self-assessment against the 18 key principles and this is set out as Appendix B to this report. The self-assessment sets out details of progress made against each principle and identifies areas for further development in 2025/26.

5.2 In summary the Authority has made good progress in developing its overview and scrutiny capacity in terms of appointing, training and briefing a pool of 28 elected members who reflect the area's political and geographical profile and appointing an appropriate person as Chair. The Committee has held the Mayor and Cabinet Members to account and seized opportunities to undertake pre-decision and pre-policy scrutiny. The Committee has worked with the Cabinet and leading officers to formulate a flexible work programme. Positive working relationships with key stakeholders, including the Mayor, Cabinet Members, the Audit and Standards Committee and constituent councils have been established and the local press have attended and reported on the Committee's work. The Committee has regularly reflected on its work and evaluated its impact.

5.3 Looking ahead the Authority will need to give further consideration to aspects of the Scrutiny Protocol relating to appointing members to the overview and scrutiny committee on the basis of their experience, interest and skills and providing continuity. Further work will be required to strengthen the processes for monitoring performance and work programming. The Committee will also need to consider how it can make best use of technical expertise and available data, research and analysis to inform its work.

### 6. **Further Information**

6.1 Further information regarding the work of the Overview and Scrutiny Committee, including the agenda papers for its meetings, can be found on the [North East CA website](#)

6.2 The following documents are referenced in the report and available to view on the links below:





[English Devolution Accountability Framework](#)  
[Scrutiny Protocol](#)  
[North East Devolution Deal](#)  
[North East Deeper Devolution Deal](#)  
[North East CA Corporate Plan](#)

- 6.3 If, having read this report, you have any queries regarding the work of overview and scrutiny or if you wish to make a suggestion as to an issue or topic you think should be scrutinised in the future please contact:

Michael Robson  
Senior Governance Officer  
Email: [Michael.robson@northoftyne-ca.gov.uk](mailto:Michael.robson@northoftyne-ca.gov.uk)  
Telephone: 0191 277 7424



## Overview and Scrutiny Committee Membership 2024/25

Authority	Member	Substitute Member
Durham	Councillor Rob Crute	Councillor Carl Marshall
	Councillor Chris Lines	Councillor Sam Zair
Gateshead	Councillor John Eagle	Councillor Stuart Green
	Councillor Dawn Welsh	Councillor Amanda Wintcher
Newcastle	Councillor Colin Ferguson	Councillor Greg Stone
	Councillor Steve Fairlie*	Councillor Linda Wright*
North Tyneside	Councillor Jim Montague	Councillor Pat Oliver
	Councillor Charlie Gray	Councillor Willie Samuel
Northumberland	Councillor Richard Dodd	Councillor Gordon Castle
	Councillor Les Bowman*	Councillor Brian Gallacher*
South Tyneside	Councillor John McCabe	Councillor Shane Smith
	Councillor Andrew Guy	Councillor Jim Yare
Sunderland	Councillor Claire Rowntree	Councillor Tracy Dodds
	Councillor Antony Mullen	Councillor Dominic McDonough

\*Councillors Fairlie and Wright and Councillors Bowman and Gallacher swapped roles as member and substitute member in November 2024.



## Overview and Scrutiny

### Scrutiny Protocol – Self Evaluation



Principle	Progress	Next Steps
<b>Key Principle 1 – pool of members</b> <ul style="list-style-type: none"> <li>• members to have an advanced level of knowledge across a range of subjects.</li> <li>• committee members and substitutes should be treated as a single body and have access to the same induction and training opportunities as well as regular subject briefings.</li> <li>• well informed and active substitute members also provide a greater pool of membership to ensure that meetings are quorate and enable wider engagement of members across the authority area.</li> </ul>	<p>In June 2024 the Authority appointed 14 members and 14 substitute members.</p> <p>Members and substitutes have been invited to</p> <ul style="list-style-type: none"> <li>• an induction event held in June 2024</li> <li>• a series of portfolio plan briefings held during August and September 2024</li> <li>• a budget workshop held in January 2025</li> <li>• a briefing on the Authority's Single Assurance Framework</li> <li>• preparatory pre-meetings ahead of each committee meeting</li> </ul> <p>and provided with regular written briefings with information and news relating to the work of the Authority and the Committee.</p> <p>Despite the appointment of substitute members, three of six meetings of the committee have been inquorate.</p>	<p>Provide more regular written briefings containing more information about the work of the authority.</p> <p>Explore alternative methods to send reminders to members and to confirm attendance (eg text messaging).</p> <p>Consult members on the date, time and venue of meetings to ensure meetings are convenient.</p>
<b>Key principle 2 – politically balanced membership</b> <ul style="list-style-type: none"> <li>• Membership must be politically balanced in line with the proportionality across the institution as far as reasonably possible.</li> </ul>	<p>The membership of the committee reflects the political representation across the Authority's seven constituent councils. In June 2024 members were appointed as follows: 8 Labour, 2 Liberal Democrat, 2 Conservative, 1 Green and 1 Durham Group. The political representation within constituent councils was reviewed in November 2024 but no changes were required.</p>	<p>Review political representation across the 7 constituent councils following the elections on 1 May 2025.</p> <p>Seek nominations for appointment to the committee so that membership continues to reflect as far as possible the political representation.</p>
<b>Key principle 3 – geographically balanced</b> <ul style="list-style-type: none"> <li>• the membership should also be geographically balanced as far as possible to ensure that the committee draws on a whole area perspective at meetings.</li> <li>• members should be able to pivot between their local understanding and the need to take a wider strategic/functional view when considering issues applying to the whole institution and the geography it represents.</li> </ul>	<p>The membership is made up of 2 members drawn from each of the 7 constituent councils. The Chair has taken a lead in focussing the committee's proceedings on strategic nature of the Authority's work, seeking clarity in the division of responsibility between the combined and local authorities and minimising time spent considering local issues.</p>	<p>Cabinet be recommended to continue to appoint 2 members drawn from each of the 7 constituent councils to serve on the Committee during 2025/26.</p>

<p><b>Key principle 4 – appointment of chair</b></p> <ul style="list-style-type: none"> <li>the chair of the committee must be either an independent person or an appropriate person (as defined by legislation).</li> <li>It is the responsibility of the chair to be ‘apolitical’ to ensure the committee remains in line with its terms of reference and is the voice of the committee at meetings.</li> </ul>	<p>The Authority appointed Councillor Colin Ferguson as chair of the committee in June 2024. Councillor Colin Ferguson is an appropriate person by virtue of being a person who is not a member of a registered political party of which the mayor is a member. The Mayor, Kim McGuinness, is a member of the Labour Party and Councillor Ferguson is a member of the Liberal Democrat Party.</p> <p>The Chair has fulfilled his duties impartially and effectively.</p>	<p>Cabinet be recommended to appoint an appropriate person to chair the Committee during 2025/26.</p>
<p><b>Key principle 5 – sustained appointments made on interest and skills</b></p> <ul style="list-style-type: none"> <li>it is imperative that those who are appointed to the committee are done so based on their experience, interests, and skill set while also considering geographical and political balance.</li> <li>when seeking appointments, a clear role description should be used to inform interested parties of the key skills required as well as the demands of the role.</li> <li>where possible members should also be appointed for more than one year to enable them to provide continuity to the work of the committee and ensure that the shared level of knowledge remains high.</li> </ul>	<p>The Cabinet appointed members to the Overview and Scrutiny Committee on the basis of nominations received from its constituent councils.</p> <p>An information pack for prospective members about the operation of the Authority and the committee and setting out the Authority’s expectations in terms of experience, interests, and skills was shared with nominating councils in May 2024.</p>	<p>In May 2025 nominating councils be:</p> <ul style="list-style-type: none"> <li>sent an updated information pack;</li> <li>sent their members’ attendance records;</li> <li>invited to submit nominations and indicate where members may be eligible and willing to serve for more than one year.</li> </ul> <p>Cabinet be recommended where possible to appoint members for more than one year.</p>

<p><b>Key principle 6 – well-resourced training</b></p> <ul style="list-style-type: none"> <li>• provide and adequately fund training for all members including knowledge briefings, peer to peer groups, and training on key functions including finance, commercial and data interrogation. This training should include an induction for the chair and members on the institution, its powers, roles, and responsibilities should be required at the beginning of every municipal year.</li> <li>• All members should be offered additional knowledge briefings outside of the formal meeting structure and ahead of reports being presented, where they can have access to further information to assist them in their scrutiny activity. These briefings should be informal and provide a safe space where members feel able to ask those questions that they may not feel able to in a committee meeting.</li> </ul>	<p>An induction event was held on 18 June 2024 to</p> <ol style="list-style-type: none"> <li>a) provide an overview of the Authority, its functions, programmes and priorities;</li> <li>b) establish a shared understanding of the role and focus of the Committee; and</li> <li>c) begin to determine a work programme and ways of working.</li> </ol> <p>Members and substitutes have been offered:</p> <ul style="list-style-type: none"> <li>• a series of portfolio plan briefings held during August and September 2024</li> <li>• a briefing on the Single Assurance Framework</li> <li>• training to help read and interpret budget monitoring reports</li> <li>• meetings of the North East Member Scrutiny Network supported by the Centre for Governance and Scrutiny</li> </ul> <p>and provided with regular written briefings with information and news relating to the work of the Authority and the Committee.</p>	<p>The Centre for Governance and Scrutiny be asked to deliver induction training on 17 June 2025 for new and returning members appointed to the committee.</p> <p>The Committee consider the use of additional informal knowledge briefings.</p>
<p><b>Key principle 7 – inviting technical expertise</b></p> <ul style="list-style-type: none"> <li>• technical expertise should be invited to meetings to enhance scrutiny of decisions. Technical experts can provide a different perspective on the issues being discussed at meetings and help members with their line of questioning leading to enhanced scrutiny.</li> <li>• Technical expertise should also be commissioned to provide training and briefings to the chair and members of the committee to support them in their roles and ensure they have access to technical and independent knowledge and information to enhance their scrutiny of the institutions' priorities, performance, and delivery.</li> </ul>	<p>To date the committee has not engaged technical expertise in its proceedings.</p>	<p>In determining its work programme for 2025/26 the Committee identify opportunities to involve technical expertise in its scrutiny exercises where this would add value.</p> <p>It is acknowledged that considerable expertise exists within the memberships of the Advisory Boards.</p>

<p><b>Key principle 8 – remuneration and status</b></p> <ul style="list-style-type: none"> <li>• Combined authorities should remunerate committee members and substitutes directly, reflecting the responsibility and status of the role, based on recommendations from an Independent Remuneration Panel (IRP). The chair should receive an additional level of remuneration.</li> <li>• The Committee and its chair should receive some dedicated resource with support provided across a range of areas such as research, policy, and administration. Clear processes should be in place for their recommendations to be received and responded to and they should have the visible support of senior officers and Cabinet members. Committees and chairs should have access to information including matters of commercial sensitivity in line with Access to Information Procedure Rules.</li> </ul>	<p>The remuneration of members of the Overview and Scrutiny Committee (and Audit and Standards Committee) has yet to be considered by Cabinet.</p> <p>The Committee and the Chair receive support from a Senior Governance Officer, who has been designated as Scrutiny Officer.</p> <p>The Chair meets regularly with the Mayor and senior officers.</p> <p>A process for the Mayor and Cabinet to receive and respond to recommendations is set out in Part 3.3 of the Constitution.</p> <p>Officers have responded to requests for information. Such requests and responses are recorded within the committee's work programme.</p>	<p>Consideration be given to directly remunerating members and substitute members of the Overview and Scrutiny Committee.</p>
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<p><b>Key principle 9 – holding the mayor or directly elected leader and the institution to account</b></p> <ul style="list-style-type: none"> <li>• The Mayor and Cabinet Members should commit to engage regularly with the committee both informally and formally and must attend the committee when requested. It should be standard practice for them to attend to present any reports within their portfolio alongside the appropriate officers.</li> <li>• There should be a standing invitation for the chairs of the committees to attend cabinet meetings to create an opportunity for the committee's comments on particular proposed decisions or issues to be shared directly.</li> </ul>	<p>The Mayor joined the Committee's meeting on 8 October 2024 to present and discuss her manifesto priorities and the associated opportunities and challenges. The Mayor has met informally with the Chair of the committee.</p> <p>Members of the committee met informally with each Cabinet member in August and September 2024 to examine their portfolio plans.</p> <p>Councillor Tracey Dixon has attended a meeting to present details of the Education Improvement Programme and Supporting People into Employment.</p> <p>Councillors Glen Sanderson and Dame Norma Redfearn have been invited to attend meetings but were unable to attend.</p>	<p>The Mayor be invited to attend the first meeting of the year on 15 July 2025 to present an annual report.</p> <p>Cabinet Members routinely be invited to attend meetings of the Committee when items falling within their portfolio are to be considered.</p> <p>The Chair and Vice Chair be invited to attend Cabinet meetings to present the Committees comments and/or recommendations on matters which have been subject to pre-scrutiny.</p> <p>A Protocol be prepared and agreed to describe and regulate the working relationship and practices between the Mayor, Cabinet and Overview and Scrutiny Committee.</p>
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<p><b>Key principle 10 – participation in pre-policy and pre-decision scrutiny</b></p> <ul style="list-style-type: none"> <li>• The practice of bringing decisions for scrutiny shortly before they are taken should be avoided. Instead, members should be engaged early in the development stage of a policy so that they can help shape its design and add real value.</li> <li>• the committee should have regular opportunities to consider the Forward Plan of key decisions to have sight of the work and determine those areas for further scrutiny.</li> <li>• The Authority should ensure that there is a culture of the Forward Plan being used appropriately with decisions being placed on the plan well in advance of them being taken.</li> <li>• The committee should contribute to all policy and strategy development in respect of high-profile complex issues affecting the whole geographical area</li> <li>• when a report is taken to Cabinet for a decision, the committee's comments and amendments can be highlighted</li> <li>• To inform their scrutiny of policies and decisions, and using all available evidence or assessments, members should consider the viability of funding sources, financial propriety, and the extent to which the policy or decision being scrutinised is likely to provide value for money.</li> </ul>	<p>The Committee has been given an opportunity to comment and shape the following strategies and programmes at an early stage of development:</p> <ul style="list-style-type: none"> <li>• Education Improvement Programme</li> <li>• Supporting People into Employment</li> <li>• Equalities Objectives</li> <li>• Leamside Investment Corridor</li> <li>• the future strategic direction of the North East Strategic Place Partnership</li> </ul> <p>The Forward Plan is made available to members of the committee. As the Forward Plan currently provides 28 days notice of key decisions it has been of limited use in determining areas for scrutiny.</p> <p>The Committee has considered and commented on the draft Corporate Plan, 2025/26 Budget, Local Transport Plan, it is due to consider the Local Growth Plan and it has examined North East Environmental Stewardship, Coast and Rural Growth Investment Plan and Bus Reform project.</p> <p>The Committee's comments in relation to the proposed approach to regional highways maintenance funding were not reported to Cabinet.</p>	<p>Work with Mayor, Cabinet and SLT to obtain a longer term view of key decisions to be taken by Cabinet, including the formulation of key plans and strategies and identify further opportunities for pre-decision and pre-policy scrutiny to be included its work programme.</p> <p>Consider the definition of a key decision.</p>
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<p><b>Key principle 11 – provision to call in</b></p> <ul style="list-style-type: none"> <li>• The committee should use their power to ‘call in’ decisions to ensure that any decisions receive further scrutiny where the committee thinks it is necessary. However, good scrutiny should focus on uncovering potential issues with decisions before they need to be called in.</li> </ul>	<p>A call-in process is available as set out in Part 3.3 of the Constitution.</p> <p>No decisions have been called-in during 2024/25 and there have been no instances when the Chair of the Committee has been asked to agree that an urgent key decision may be taken without normal public notice on the Forward Plan.</p>	
<p><b>Key principle 12 – regular performance monitoring</b></p> <ul style="list-style-type: none"> <li>• regular performance monitoring reports highlighting where further scrutiny could support delivery against a target, including any outcomes that may have been agreed as part of devolution deals.</li> </ul>	<p>Budget monitoring reports and a programme performance pack have been presented to the Committee but a clear and consistent approach to performance monitoring as part of the overall performance management framework is in development.</p>	<p>Determine a clear reporting method and cycle to receive and examine appropriate level of performance monitoring reports.</p>
<p><b>Key principle 13 – robust work planning</b></p> <ul style="list-style-type: none"> <li>• Areas highlighted through performance monitoring should formulate the skeleton of the committee’s work programme.</li> <li>• the work programme should remain robust and flexible enough to cope with change and as policy development evolves and should combine long term pre policy scrutiny interspersed with more immediate performance scrutiny.</li> <li>• Committees should have a clear process by which it develops its work programme, which engages with officers, Cabinet members, constituent members, partner organisations and residents.</li> </ul>	<p>Work programme agreed but identification of topics and selection criteria need development.</p>	<p>Develop a regular process for work programming which involves:</p> <ul style="list-style-type: none"> <li>• The sharing of information with the Committee to inform its planning including: <ul style="list-style-type: none"> <li>• performance management reports</li> <li>• a longer term forward plan of key decisions and strategies</li> </ul> </li> <li>• input from Cabinet, SLT and other stakeholders</li> <li>• evaluating potential topics</li> <li>• selecting appropriate methods of scrutiny</li> </ul>

<p><b>Key principle 14 – focused task and finish exercises</b></p> <ul style="list-style-type: none"> <li>• The chair and members should consider when it is relevant to focus on an area of the work programme through task and finish activities</li> <li>• Their reports and recommendations must be published, endorsed by the Committee and formally received and responded to by the Authority within two months. The committee should monitoring the progress against these recommendations.</li> </ul>	<p>The Committee considered appointing a task and finish group to examine the business case for the re-opening of the Leamside Line. However relevant officers advised that the outline business case for the re-opening of the line to extend the metro to Washington will not be complete until 2026 and so it may be more appropriate for the Committee to receive a series of reports at key points in the project.</p>	<p>Consider the use of task and finish groups as part of determining the work programme.</p>
<p><b>Key principle 15 – strong relationships with stakeholders</b></p> <ul style="list-style-type: none"> <li>• The committee should invite stakeholders to meetings, including members and officers of constituent local authorities.</li> <li>• Local press and media must be able to play a key role in facilitating public accountability, with opportunities created for them to engage with the committees, its members, and their work, and findings.</li> <li>• The Authority should consider how they use their communications function to publicise the committee, and its members, work, and findings</li> <li>• the committee's work should complement that of the constituent council's scrutiny committees rather than create duplication.</li> <li>• There is also a role for members of the committee in ensuring effective links with constituent local authority scrutiny committees through appropriate information sharing and ensuring the interconnection of work programmes.</li> </ul>	<p>A representative from Homes England attended a meeting to discuss the Strategic Place Partnership.</p> <p>The local democracy reporting service attends and reports on all meetings of the committee.</p> <p>The scrutiny officer has met with the scrutiny officers in each constituent council to share information and co-ordinate work programmes.</p> <p>Members and officers participate in the North East Regional Scrutiny Network.</p> <p>The committee has referred an issue in relation to highways maintenance funding to scrutiny committees in constituent councils.</p>	<p>Seek to engage and involve more external stakeholders when formulating the future work programme and scrutiny exercises.</p> <p>Issue proactive communications to publicise and promote the work of the Committee.</p> <p>Continue to work with constituent councils to co-ordinate scrutiny exercises.</p>

<p><b>Key principle 16 – regular self-evaluation and reflection</b></p> <ul style="list-style-type: none"> <li>• Members should come together regularly to reflect and direct their own work programme and the resulting outcomes.</li> <li>• An annual report should be published to broadcast and demonstrate how the committee’s work influences and benefits the outcomes. This should be formally considered by Cabinet.</li> <li>• The Authority should also commit to undertake its own evaluation exercises, including seeking feedback from key partners.</li> </ul>	<p>The work programme is reported to each meeting of the committee for review and revision.</p> <p>Members have informally considered their work programme at workshops held in June, January and April.</p>	<p>Members of the Committee met on 1 April 2025 to</p> <ol style="list-style-type: none"> <li>a) review and reflect on its operation over its first year</li> <li>b) assess its compliance against the scrutiny protocol</li> <li>c) draft an annual report</li> <li>d) begin to determine priorities and ways of working for 2025/26 and beyond.</li> </ol>
<p><b>Key principle 17 – access to data, research and analysis</b></p> <ul style="list-style-type: none"> <li>• The committee should use data to improve its knowledge and understanding of performance, learn lessons and share best practice.</li> <li>• The Office for Local Government (Oflog) will provide authoritative and accessible data and analysis about performance. This should be considered as part of committee business.</li> </ul>	<p>Oflog was closed in December 2024.</p>	<p>In determining its future work programme the Committee should consider</p> <ol style="list-style-type: none"> <li>a) developing a process through which it regularly receives performance data with due regard to the Authority’s performance management framework, and</li> <li>b) explore how it might work with the Authority’s Data and Insights Team to support its work.</li> </ol>

<p><b>Key principle 18 – strong relationship with audit committees</b></p> <ul style="list-style-type: none"> <li>• The committees should work in tandem with the Audit Committee and should be agreeing how to manage shared areas of interest and responsibility and work collaboratively.</li> <li>• Work programmes of each committee should be informed by each other's work and recommendations shared where appropriate.</li> <li>• Regular meetings should be organised between the chair of Audit and the chair of Scrutiny.</li> <li>• Audit committees should receive dedicated resource and there should be clear processes in place for their recommendations to be received and responded to as appropriate.</li> <li>• Audit committees should also publish an annual report to broadcast the work of the committee and this should be formally considered by Cabinet.</li> <li>• The Authority should also commit to undertake its own evaluation exercises.</li> </ul>	<p>The Chair of the Committee meets regularly with the Chair of the Audit and Standards Committee.</p> <p>Members of the Overview and Scrutiny Committee were invited to join with members of the Audit and Standards Committee to receive a briefing in relation to the Single Assurance Framework.</p> <p>Both committees are supported by a Senior Governance Officer who works with members and officers to formulate and co-ordinate both work programmes.</p> <p>An annual report from the Audit and Standards Committee is being compiled and will be reported to Cabinet.</p> <p>A review of the effectiveness of the Audit Committee arrangements is being undertaken.</p>	<p>The Committee continue to work in conjunction with the Audit and Standards Committee.</p> <p>The Committee's Annual Report be presented to the Audit and Standards Committee in July 2025.</p>
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**Title:**                **Audit and Standards Committee Annual Report 2024/25**  
**Report of:**        **Alan Reiss, Director of Operations**

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## **Report Summary**

This report introduces the Audit and Standards Committee Annual Report 2024/25. The Annual Report documents the role played by the Audit and Standards Committee in reviewing and scrutinising the Authority's financial affairs, risk management, internal control and corporate governance arrangements.

## **Recommendations**

Cabinet is recommended to receive and note the Audit and Standards Committee Annual Report 2024/25.

### **A. Context**

- 1.1 The Chartered Institute of Public Finance and Accountancy (CIPFA) views audit committees in local government as a key component of each local authority's governance framework<sup>1</sup>. The North East CA has a dedicated Audit and Standards Committee, which is chaired by an independent co-opted member.
- 1.2 CIPFA has published good practice guidance covering the role, functions, and operation of audit committees in local government. The guidance sets out the principles they recommend audit committees should follow and it provides a framework for self-assessment. The guidance suggests that an audit committee should produce an annual report setting out the results of the self-assessment and a summary of the work it has completed in year to meet its terms of reference. This allows the organisation's governing body to hold the Committee to account for its performance.
- 1.3 The Independent Chair of the Committee, Dave Willis OBE, will attend today's meeting to present the Annual Report, which is attached as Appendix A.

### **B. Impact on North East Combined Authority Objectives**

1. The Audit and Standards Committee forms an essential element of the Authority's governance arrangements as set out in the Corporate Plan. The Committee is concerned with the robustness of the Combined Authority's arrangements to implement its policies and to manage its resources. It is also responsible for promoting and maintaining high standards of conduct by members of the Combined Authority and its committees.

### **C. Key risks**

- 1.1 There are no key risks identified within, or arising from, this report.

### **D. Financial and other resources implications**

1. There are no direct financial implications arising from this report.

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<sup>1</sup> CIPFA Position Statement on Local Authority Audit Committees, *Audit Committees – Practical Guidance for Local Authorities and Police*, CIPFA 2022

## **E. Legal implications**

1. The Cities and Local Government Devolution Act 2016, and subsequent Combined Authorities (Overview and Scrutiny Committee, Access to Information and Audit Committee) Order 2017, establishes that Combined Authorities must arrange for the appointment of an Audit Committee and sets out the functions of the Audit Committee.

## **F. Equalities Implications**

1. There are no direct equalities implications arising out of the recommendations in this report.

## **G. Consultation and engagement**

1. The Independent Chair of the Audit and Standards Committee was consulted on the approach to the self-assessment and preparation of the annual report. All members and substitute members serving on the Committee were invited to contribute to the self-assessment.

## **H. Appendices**

Appendix A – Audit and Standards Committee Annual Report 2024/25

## **I. Background papers**

[Report to Audit and Standards Committee “Annual Review of Effectiveness of Audit and Standards Committee Arrangements”, April 2025](#)  
[The Cities and Local Government Devolution Act 2016](#)  
[The Combined Authorities \(Overview and Scrutiny Committees, Access to Information and Audit Committees\) Order 2017](#)  
[The Accounts and Audit Regulations 2015, as amended](#)  
[Audit Committees, Practical Guidance for Local Authorities and Police, CIPFA, 2022](#)  
[North East Combined Authority Constitution, May 2024](#)

## **J. Contact officer(s)**

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## **K. Glossary**

CIPFA - The Chartered Institute of Public Finance and Accountancy





## Audit and Standards Committee

Annual Report 2024/25

June 2025



Table of Contents	
Item	Pages
Introduction from Chair of Audit and Standards Committee	3
Role of an Audit and Standards Committee	4
Review of Effectiveness of Audit and Standards Committee Arrangements	5
Key Highlights from Audit and Standards Committee Substantive Business	6 - 8
Conclusion	8
Annex A: Reports Considered by Audit and Standards Committee during 2024/25	9

## **Introduction from the Chair of the Audit and Standards Committee**

I am pleased to present the first annual report of the Audit and Standards Committee (the Committee) for the 2024/25 year.

The establishment of the new mayoral North East Combined Authority (North East CA) on 7 May 2024 marked a significant milestone in the region's devolution journey. This has brought interesting and challenging work for the Committee in its inaugural year, given the backdrop of the amalgamation of a number of predecessor bodies into one organisation with increased powers.



The Committee's work has focussed on two distinct but equally important areas. Firstly, we have provided oversight of the emerging and developing governance, risk management, and internal control frameworks of the North East CA. Secondly, we have overseen the closure of the 2023/24 accounts for the previous North East Combined Authority and North of Tyne Combined Authority. This has been particularly challenging for officers and the external auditor given the extended financial year to 6 May 2024 and the 'backstop' deadline set by Government for concluding outstanding audits.

In a climate of global uncertainty and domestic economic pressure, the role of an audit committee has never been more vital. Throughout the year, the Committee has constructively challenged and supported officers and external auditors to ensure that sound governance, financial management, risk and control frameworks are at the heart of the North East CA.

The Committee has also considered the standards regime for elected members in the context of the Government's ongoing consultation on this important issue.

The Committee has undertaken a series of development workshops and completed a self-assessment of effectiveness. I am pleased to report that this concluded the Committee is operating well in accordance with recognised good practice, but with some minor areas to improve identified.

I hope this report offers assurance to Cabinet and to the wider community - residents, businesses, and partners - that the Audit and Standards Committee has discharged its responsibilities with diligence and independence during this formative year. We welcome feedback and engagement from Cabinet and stakeholders as we continue to evolve and strengthen our contribution to the success of the North East CA.

**David Willis OBE**  
**Independent Chair of Audit and Standards Committee**



## 1. Role of an Audit and Standards Committee

### Background

- 1.1 **Audit** - The Cities and Local Government Devolution Act 2016 and subsequent Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 set out requirements relating to establishment of an audit committee and its constitution. The Committee has been established in compliance with legislation with this legislation.
- 1.2 This legislation does not specify how an Audit Committee should operate, but good practice guidance for the sector is provided by the Chartered Institute of Public Finance and Accountancy (CIPFA). The Committee has adopted the principles of CIPFA's guidance<sup>1</sup>, and assesses its conformance annually.
- 1.3 **Standards** – Responsibility to promote and maintain high standards of conduct among members has been delegated to the Audit and Standards Committee. Arrangements have been established based upon the principles within the Localism Act 2011.

### Purpose

- 1.4 In summary, the purpose of an Audit and Standards Committee is to provide an independent and high-level focus on the adequacy and effectiveness of an organisation's governance, risk and control arrangements, and ethical standards.
- 1.5 The Terms of Reference<sup>2</sup> for the North East Combined Authority's Audit and Standards Committee specifies:
  - The Audit and Standards Committee is a key component of the Authority's corporate governance arrangements
  - It is an important source of assurance about the Authority's arrangements for managing risk, maintaining an effective control environment, reporting on financial and other performance, and
  - It is also responsible for promoting and maintain high standards of conduct by members of the Authority and its committees. The Committee will review complaints made against Members in respect of alleged breaches of the Members' Code of Conduct in accordance with its agreed arrangements.

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<sup>1</sup> [Audit- Committees - Practical Guidance for Local Authorities and Police – CIPFA October 2022](#)

<sup>2</sup> [Nort East CA Constitution 2.5 Audit and Standards Committee](#)



## 2. Review of Effectiveness of Audit and Standards Committee Arrangements

- 2.1 In line with good practice the Audit and Standards Committee undertakes an annual review of its own effectiveness against the CIPFA guidelines and principles reference in Section 2. The 2024/25 self-assessment was discussed and agreed by the Committee at its meeting in April 2025.
- 2.2 The Committee assessed that it is operating well in accordance with recognised good practice but identified a small number of areas where arrangements could be strengthened. In some instances, this is solely due to the embryonic nature of the organisation and will improve naturally over time as matters of business come before the Committee, for example completion of this Annual Report.
- 2.3 Two specific actions were identified to improve other areas, and work has already commenced to implement the actions as detailed in the table below.

Question		Action
5	Do all those charged with governance and in leadership roles have a good understanding of the role and purpose of the committee?	Meeting(s) to be scheduled between the Chair and new directors.
2	Does the committee engage with a wide range of leaders and managers, including discussion of audit findings, risks, and action plans with the responsible officers?	A rolling programme of risk 'deep dives' will be scheduled with strategic risk owners invited to attend meetings and discuss their risks in detail with ASC.

- 2.4 The Committee recognise the importance of having the right skills, knowledge and experience to successfully discharge our responsibilities. A skills and knowledge assessment was completed early in 2024/25 and, whilst the assessment identified a good mix of skills and experience, development workshops were held with members to enhance these further. The workshops covered a range of areas including:
- Role of the Audit and Standards Committee
  - Overview of the Single Assurance and Risk Management Frameworks
  - Statement of accounts using the draft 2023/24 as an example.



### 3. Key Highlights from Audit and Standards Committee Substantive Business

- 3.1 The Committee has conducted business in accordance with its Terms of Reference and agreed work programme with reports relevant to its responsibilities considered across the year. The Committee has also considered and challenged reports relating to the North East CA's demised predecessor organisations, the North of Tyne Combined Authority and the North East Combined Authority. A list of reports received and considered by the Committee is set out in Annex A. Key highlights from our work during the year are detailed below.

#### Internal Audit

- 3.2 The Chief Internal Auditor presented the 2024/25 Internal Audit Plan to Committee and outlined that the plan was based upon an assessment of risk and aligned to the CA's objectives and priorities. Committee discussed and approved the Plan.
- 3.3 The Committee also considered and discussed quarterly updates on progress against the Plan and noted that it was anticipated that the majority of the work would be delivered at the end of the financial year to reflect the developing status of the organisation.
- 3.4 The Committee received annual opinions and conclusions from the respective Chief Internal Auditors for the predecessor organisations for 2023/24. Both organisations received positive outcomes in terms of their respective frameworks of governance, risk management and control with North of Tyne Combined Authority assessed as **'Satisfactory'** and North East Combined Audit and Joint Transport Committee assessed as **'Sound System of Internal Control'**.

#### Finance and External Audit

- 3.5 In respect of the North East CA, the Committee received a report setting out the Accounting Policies to be used in preparing the 2024/25 Statement of Accounts. This noted proposed changes relating to the treatment of leases arising from amendments to the code of practice for accounts becoming effective for 2024/25. Officers also provided the Committee with explanations on the approach to writing down assets, and review and approval arrangements for writing down impaired loans.
- 3.6 The Committee was provided with updates from the external auditor on the implications of the Government's backstop arrangements to address the national backlog in completing local audits. It was explained that many authorities would likely receive disclaimed opinions as a result. The Committee sought assurances over the likelihood and implications of disclaimed 2023/24 opinions for the predecessor organisations, and capacity of officers and external auditor to conclude the audits before the backstop date.
- 3.7 Subsequently, the external audits of the accounts for 2023/24 for both predecessor organisations were concluded before the backstop date with Audit Completion and Annual Reports being received by Committee. Both organisations received unqualified opinions. The Committee discussed the reports and expressed thanks and gratitude to officers and external auditor for concluding the work by the deadline.



- 3.8 The Committee considered reports on the Final Statements of Accounts and Annual Governance Statements for 2023/24 for both predecessor organisations. These were discussed and the Committee received assurances from officers in relation to the transfer of assets and debts from predecessor organisations to the North East CA, and the rationale for a large capital accounting adjustment. The Committee also received updates on the scale of the opening balance sheet for the North East CA as at 7 May 2024.

## **Risk**

- 3.9 The Committee considered a draft risk management framework which set out the approach to identifying and managing its risks and opportunities. The Committee recommended a small number of changes to strengthen the overall approach, including further clarification of the risk appetite. These changes were made, and the Committee subsequently endorsed the framework and recommended it was approved by Cabinet.
- 3.10 The Committee was provided with six monthly updates on the Strategic Risk and Opportunities register. We considered and challenged the risks and sought additional assurance in a number of areas including:
- the approach to ensuring integration across policy areas
  - the scale of funding for the transport programme
  - closure of the risk relating to political and policy change
  - the timescales for addressing the risk relating to data and performance reporting.
- 3.11 The Committee also received the first of a regular programme of strategic risk 'deep-dive' reviews, which involved the risk owner presenting and discussing their risk. This was in relation to the Inclusive Growth risk and presented by the Head of Strategy and Innovation, with a focus on the preparation of a North East Local Growth Plan. The presentation allowed Committee to discuss and challenge in detail the controls for managing the risk, and ask several questions, including:
- how constituent authorities were involved with the Plan
  - how the North East CA was collaborating with the Tees Valley and other Combined Authorities on aspects of the Plan, and
  - how in future the North East CA may have greater influence on planning policy.

## **Standards**

- 3.12 The Committee considered and approved a report seeking dispensations for the North East CA's cabinet and substitute cabinet members, to allow them to take part in decisions which related to their respective constituent authorities.
- 3.13 Across the year Committee had several discussions about standards and the Government's consultation on proposals to strengthen the standards framework. Committee requested a review of standards regimes across the region.



- 3.14 The Committee subsequently considered reports from the Monitoring Officer comparing regimes, the number of complaints received, findings and sanctions across the region. We committed to review the outcome of the Government's consultation. It was also agreed that a sub-committee comprising of the Independent Chair and seven members (one from each constituent authority) would be appointed to deal with any allegations of breaches of the CA's code of conduct for members.

#### **4. Conclusion**

- 4.1 The Committee has received and considered sufficient reports and information across the year to enable it to fulfil its responsibilities as set out in the terms of reference.
- 4.2 There are no significant matters arising from the work of Committee to bring to the attention of Cabinet.
- 4.3 The Committee has reflected upon its own performance against recommended practice, and determined that it is mainly compliant with a small number of areas for development
- 4.4 The Committee is pleased to present this annual report detailing its work during the 2024/25 financial year.

## Annex A

### Reports Considered by Audit and Standards Committee during 2024/25

Meeting	Governance Items Considered
<b>July 2024</b>	<ul style="list-style-type: none"> <li>• Audit &amp; Standards Committee Work Programme 2024/25</li> <li>• New North East Combined Authority Risk Management Framework</li> <li>• Internal Audit Quarterly Updates*</li> <li>• Internal Audit Annual Opinions 2023/24*</li> <li>• External Audit – Auditor's Annual Reports 2022/23*</li> </ul>
<b>September 2024</b>	<ul style="list-style-type: none"> <li>• Internal Audit Plan 2024/25</li> <li>• Risk Management Framework and Strategic Risks</li> <li>• External Audit Strategy Memorandum for period ending 6 May 2024*</li> <li>• Appointment of External Auditor</li> <li>• External Audit Presentation – Local Audit Reset and Implications</li> <li>• Standards Update</li> </ul>
<b>February 2025</b>	<ul style="list-style-type: none"> <li>• Internal Audit Quarterly Update</li> <li>• Approach to Review of the Effectiveness of Audit and Standards Committee 2024/25</li> <li>• External Audit Completion Report and Annual Reports 2023/24*</li> <li>• Final Statement of Accounts 2023/24*</li> <li>• Report on Strengthening the Standards and Conduct Framework for Local Authorities</li> </ul>
<b>April 2025</b>	<ul style="list-style-type: none"> <li>• Internal Audit Quarterly Update</li> <li>• Annual Review of Effectiveness of Audit and Standards Committee 2024/25</li> <li>• Accounting Policies for 2024/25 Financial Statements</li> <li>• External Auditor's Final Annual Reports 2023/24*</li> <li>• Strategic Risk Review</li> <li>• Presentation and detailed discussion on the Inclusive Growth Strategic Risk</li> <li>• Report on Strengthening the Standards and Conduct Framework for Local Authorities</li> <li>• Audit &amp; Standards Committee Work Programme 2025/26</li> </ul>

\*Reports relating to both predecessor organisations – the North of Tyne Combined Authority and the North East Combined Authority.



**Title: Delivering for the North East: Year One delivery and Priorities for Year Two**  
**Report of: Alan Reiss, Director of Operations**

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## Report Summary

This report provides an overview of key achievements in year one of the North East Mayor and Combined Authority and outlines the priorities for year two to deliver the short-term pledges set out in the Corporate Plan.

## Recommendations

Cabinet is recommended to:

1. Note the progress made in year one
2. Note the priorities for year two.

### A. Context

#### 1. The North East Mayor and Combined Authority

- 1.1 The North East Combined Authority began its work on 7 May 2024 as a new strategic body, led by the first elected Mayor for the whole region with a manifesto dedicated to creating the infrastructure of opportunity through a plan to end child poverty and to create and connect people to good jobs. The work of the Combined Authority is underpinned by strong devolution deals with Government.
- 1.2 The vision and priorities of the CA are set by the Mayor and Cabinet, and delivered through the five key missions agreed and set out in the Corporate Plan:
  - To create the home of real opportunity
  - To be home to a growing and vibrant economy for all
  - To be the home of the green energy revolution
  - To make the North East a place we are proud to call home
  - To be a welcoming home for global trade.
- 1.3 Effective delivery requires excellent partnership working in order to improve the lives and prospects of people in our region. The Combined Authority works closely with organisations and people from all across the region, including the seven partner Local Authorities, local businesses and the private sector, health trusts, emergency services, voluntary organisations, colleges and our four universities.

#### 2. Key delivery achievements of the first 12 months

- 2.1 The first year of the Mayor and Combined Authority has been marked by both the achievement of immediate impact on the lives of people in the North East, alongside developing plans and investments that will lay the foundations for further improvements in outcomes over the short, medium and longer term. Highlights include:
  - **Agreement to make around £500 million of public investment** in the North East, including transport, housing, skills, culture and child poverty prevention.
  - Creation of the UK's first **Child Poverty Reduction Unit**, the co-development of a regional Child Poverty Action Plan to be launched this summer and delivery of 1,000 baby boxes to families with new babies, supported over 4,500 pupils across the region to take part in extra-curricular activities, with £1.5m in annualised benefit gains for families as a result of advisors in schools and communities.

- Launch of the **Mayor's Childcare Grant**, which will provide support of up to £6,800 to families in County Durham with at least one child under five, before potentially being expanded.
- Delivery of Round 1 of the **Mayor's Opportunity Fund** which awarded 22 grants totalling £264,210 to grassroots organisations providing small-scale community projects. Round 2 will launch in June 2025, investing £225,000 more in grassroots organisations and small charities that help to tackle poverty and increase opportunity for people living in our most disadvantaged neighbourhoods.
- Committing investment to deliver **800 new homes**, with 2,200 more in the pipeline, while agreeing the North East Strategic Place Partnership with Homes England to speed up regeneration.
- Approved Investment Fund, Investment Zone and Trailblazer programmes which will create nearly **3,000 jobs and back almost 650 businesses to grow** in the region.
- Began delivering Skills Bootcamps and Adult Skills provision which will support over **52,000 people with skills**, training and back to work support.
- Providing £18m funding to **revitalise South Shields Town Centre** through the relocation of South Tyneside College and its world-famous marine school to a central site.
- Approval of £17m funding to support **jobs and local communities** through a new Environmental Stewardship, Coast and Rural Growth Investment Plan.
- Launch of the North of England's **first Carbon and Nature Marketplace**, opening the way for North East firms to use carbon credits to fund environmental schemes close to home.
- Publication of the Mayor's **Local Transport Plan** following consultation with over 16,000 members of the public supporting the ambition to create a safe, fully-integrated and green public transport network. The first two years of the plan will see £800 million of investment into the region's transport network.
- Beginning the process to **bring buses back into public control**, through the start of a programme to assess the benefits of franchising.
- Starting the work to bring **Metro to Washington** through £8m funding for a detailed business case and technical and environmental studies along the northern part of the Leamside Line and out from South Hylton in Sunderland.
- Sustainable transport funding of more than £200m approved for projects including a new Shields Ferry landing, new ticket gates for Metro stations, **100km of improved walking, cycle and wheeling routes** and delivery of **20 new zero emission buses**, with a further 75 buses on order.
- Keeping the cost of bus travel low: Young people aged 21 or under have made **22.8 million journeys at £1 single and £3 all day fares** guaranteed by the Mayor in the last 12 months. More than 6.2 million adults have taken advantage of the £2.50 maximum 'Mayor's Fare' for bus travel in the region subsidised since January 2025.
- Extending **Kids Go Free on public transport** across all school holidays until 2026, in a deal with bus operators to ease the cost for families and inspire visits to town centres and visitor attractions.
- Funding the £15.8m installation of up to **1,000 new EV charging points** over the coming years, focused on rural villages and housing estates without off-street parking but spread throughout the region
- Publication of the interim **Local Growth Plan**, which sets out our ambitions to drive investment and jobs, both in six key sectors and across the foundational economy.
- Setting up the £70m North East Investment Fund to back small businesses and help them grow, with a target to **invest in 470 firms and create 2,300 new jobs** over 15 years, as part of our wider jobs creation programme
- Securing **£50m of investment** from Japanese car firm Jatco, adding to our world-leading strengths in advanced manufacturing, car making and electric vehicles
- Secured investments into the region which will create **over 2,000 jobs**
- Championing regional culture and creative industries through a cultural events programme, including landing the **MOBO Awards and Mercury Music Prize** in the region and attracted a new national Centre for Writing.

- 2.2 Despite being in its first year, the position, potential and effectiveness of the North East Combined Authority has been recognised by the Government identifying this as one of only four areas of the country with an “Established Mayoral Strategic Authority”. This paves the way for access to the full range of funding, flexibilities and powers available through an Integrated Financial Settlement from 2026-27. This success reflects the work carried out by partners and regional leaders in establishing a new Combined Authority at pace and bringing together predecessor organisations to create the new strategic body.
- 2.3 As a convenor, the North East CA has harnessed the collective knowledge, experience and resource available across the region, through nurturing existing relationships and building new ones to drive forward delivery to achieve the missions sets out in the Corporate Plan.
- 2.4 Our Advisory Boards, made up of people from across the private, public and voluntary sectors provide inclusive forums to help shape and inform the design of delivery programmes, ensuring our investments have measurable impact.
- 2.5 The creation of the Business and Economy Board, among these, ensures the private sector and academia are able to provide insights and guidance to the Mayor and Cabinet on how best to deliver the five missions set out in the Corporate Plan, and recognises the essential role that the private sector has to play in the economic growth of the region.

### 3. Delivery Priorities for Year Two

- 3.1 In the second year, delivery of the region’s five missions will continue, alongside preparing for the implementation of the Integrated Settlement in 2026. Priorities include:
- Launch of a five-year **Child Poverty Action Plan** setting out how the North East CA will use the collective levers and resources available to prevent and reduce child poverty.
  - Launch of the **New Deal for North East Workers** including the implementation of Shine, which will provide support for employers of all sizes to be recognised for their good work credentials or work towards improvements through a tiered assessment and reward system.
  - Delivery of the £50m **Connect to Work** scheme to help thousands of people with disabilities and health conditions get into work.
  - Launch of a **High Streets Commission** exploring and testing the best ideas to revitalise our town and city centres with the people who live there.
  - **Making public transport easier to use** through the roll out of new smart payment technology across bus, Metro and rail through the Smart Travel Evolution Programme.
  - Progressing the **next steps of our programme to reform buses**, including completing our Franchising Scheme Assessment ahead of public consultation.
  - Deliver improvements to access and information, as well as **new shelters at bus stops** across the region in a programme which will eventually reach 639 locations.
  - Advance the introduction of new Metro trains with half the new fleet (23 trains) to be carrying passengers by spring 2026, with the remaining 23 entering service by the end of 2026.
  - Finalisation of the region’s **Local Growth Plan** and associated support for major inward investment.
  - Delivery of a revised approach to **boost tourism and create new jobs** as we seek to double the size of the visitor economy in the next 10 years.
  - Progressing the next stage of **major regional investment programmes** including the Leamside Investment Corridor, Durham Investment District, Tyne Economic Corridor as well as support for our core and emerging strengths in green energy, advanced manufacturing and automotive, and AI.
  - Launch of the North East **offshore wind programme**, including the delivery of the £1m Technology Innovation in Green Growth for Offshore Renewables programmes.
  - Step-up delivery of the £69m Capital Regeneration Programme and £49m Brownfield Housing Fund Programme which will see more **new quality and affordable homes** start to be built.
  - Build on our robust evidence base to develop a **Homelessness prevention blueprint**.

- Launching a region-wide one-stop-shop warm homes service, including a £1million fund, to provide advice and the opportunity to apply for a loan to 800+ residents. Bringing together key regional stakeholders to form a Warm Homes North East Taskforce that will develop the long term strategy and action plan to ensure we tackle cold, damp homes and fuel poverty, and prepare for devolved funding for retrofit by 2028.
- Develop a **Spatial Development Strategy** for the region that helps to enable our growth priorities and infrastructure requirements underpinning our Local Growth Plan.
- Design localised provision of high quality **all-age career guidance** for local residents.
- Launch of the £10 million North East CA Economic Inactivity Trailblazer to develop and test new and innovative ways to address the persistent challenges of economic inactivity. The aim of this activity is to harness untapped human potential to help grow our economy, raise living standards, reduce child poverty and create opportunities from which everyone can benefit.

## **B. Impact on North East Combined Authority Objectives**

1. The delivery of activities, interventions and programmes set out above will help the North East CA achieve five missions set out in the corporate plan which will provide opportunity for all residents in the North East.

## **C. Key risks**

1. There are no additional risks arising from this report. All risks associated with the delivery programmes set out above are managed in accordance with the North East CA's Risk Management Framework.

## **D. Financial and other resources implications**

1. There are no additional financial or resourcing implications arising from this report. All investment of North East CA funding is approved through the processes set out in the Single Assurance Framework.

## **E. Legal implications**

1. There are no legal implications arising from this report.

## **F. Equalities Implications**

1. For all programmes and projects, the North East CA have fulfilled our obligations under the Public Sector Equality Duty and paid due regard to the need to eliminate unlawful discrimination, advance equality of opportunity, and foster good relations. In June 2024, the North East CA established an ambitious set of interim Equality Objectives, which have underpinned the significant strides the North East CA has made toward embedding equality, diversity, and inclusion at the heart of everything we do. The North East CA will shortly launch its ambitious three-year equality objectives, which will drive efforts to create a more inclusive North East, where opportunity is open to all.

## **G. Consultation and engagement**

1. There has been substantial consultation and engagement on the programmes set out above, including through the consultations on the Local Transport Plan and Local Growth Plan.

## **H. Appendices**

None

## **I. Background papers**

[North East CA Corporate Plan](#)

[The Interim North East Local Growth Plan](#)

**J. Contact officer(s)**

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**K. Glossary**

North East CA – North East Combined Authority

**Title:** Opportunity for Everyone - Annual Equalities Report 2024-25  
**Report of:** Charlotte Carpenter, Director of Skills, Inclusion and Public Sector Reform

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## Report Summary

To truly make the North East the home of real opportunity, we need to see equality, diversity, and inclusion not just as values, but as economic imperatives. This means creating an economy that works for everyone - one that ensures no one is left behind, where every individual can contribute to and benefit from our region's prosperity.

This report accompanies the North East CA's Annual Equality Report, entitled 'Opportunity for Everyone' which also includes the new 2025-2028 Equality Objectives.

These objectives will not only shape a more equitable future for the North East, but will also lay the foundation for an economy that works for all, one that we can all be proud to call home.

## Recommendations

Cabinet is recommended to:

1. Endorse the annual equality report
2. Approve the new equality objectives for 2025-2028.

### A. Context

#### 1. The economic case for inclusion

- 1.1. Equality, diversity and inclusion are at the heart of the Mayor's vision for the North East. To unlock our region's full potential, we must tap into the diverse talents, skills, and perspectives of all our people.
- 1.2. Strong growth sectors – drawing on talent from diverse backgrounds - combined with a thriving foundational economy that is built on inclusivity will be key to this success. By ensuring our businesses can and do recruit and retain a diverse, healthy, and highly skilled workforce, we create the conditions for long-term growth collectively. This is the future we must build: an economy where opportunity is open to all, and everyone has the tools they need to thrive.
- 1.3. The connection between equality, diversity, inclusion and economic prosperity is clear and undeniable. Evidence shows that in regions where fairness, opportunity, and strong, connected communities are prioritised, everyone benefits. It's simple: a thriving economy needs a fair economy. When we remove barriers, empower individuals, and build stronger, more resilient communities, we all win.
- 1.4. Equally, our internal policies at the North East Combined Authority will mirror the inclusivity we seek in the wider region. We are committed to fostering a workplace where barriers to opportunity are removed. A place where our workforce is representative of our communities, everyone's voice is heard, everyone feels they belong, and everyone has the opportunity to contribute meaningfully to our collective success.
- 1.5. At the forefront of our ambition to create a vibrant, growing economy, we will champion digital inclusion, improve health outcomes, tackle educational inequality, build stronger neighbourhoods, and develop an integrated transport network that serves everyone—no matter where they live or what their background is.

- 1.6. One of the most pressing challenges in our region today is child poverty. Tackling this is not just a moral obligation, it is an economic necessity. High rates of childhood poverty and hardship rob young people of the chance to reach their full potential and ultimately hold our entire region back. For the North East to thrive, we must ensure that every child can grow up with access to the opportunities and resources that will allow them to flourish.
- 1.7. In addition to the strong economic case for inclusion, there is also a legal requirement to consider equalities in all areas of our work. The Public Sector Equality Duty includes a statutory requirement for public sector organisations to publish at least one equality objective every four years.

## **2. 2024-2025 Equality Objectives**

- 2.1 In line with this requirement, in June 2024, organisational equality objectives were signed off by Cabinet for the new North East CA. The objectives related to our roles as an employer, a commissioner and a convener. The year one objectives were designed to be transitional, looking mainly at internal workings and approaches, to help teams set themselves up for success going forward.
- 2.2 Progress against these objectives has been summarised and celebrated in this year's Annual Equalities Report which is provided in Appendix 1 and in an accessible text version as Appendix 2.

## **3. 2025-2028 Equality Objectives**

- 3.1 Learning and insights gained from these year one objectives, have informed the creation of ambitious longer-term equality objectives, which the Combined Authority will work towards in the 2025-2028 period. These objectives have been consulted on widely both internally and externally and are included in the Annual Equalities Report provided in Appendices 1 & 2. These objectives will not only shape a more equitable future for the North East but will also lay the foundation for an economy that works for all, one that we can all be proud to call home.
- 3.2 The new objectives align with our roles as an employer, a commissioner and a convener.

They include:

- building a diverse workplace where all individuals feel valued, respected and empowered to reach their full potential, regardless of background, identity, or personal circumstances – striving to make everyone feel they belong
  - investing in services that are accessible and responsive to the needs of all communities and businesses, removing barriers to success and driving economic growth that delivers for all our residents
  - playing a strong leadership role in convening partners around regional priorities, building an inclusive and diverse coalition to understand and meet the needs and ambitions of the communities and businesses we serve.
- 3.3 The new equality objectives for 2025-2028 are also aligned with the Socio-Economic Duty which is a statutory duty expected to come into force in mid-2026. The plan for implementing the duty will be included within the equality objectives action plan which will be developed subject to Cabinet endorsement of the new objectives.
  - 3.4 Cabinet is asked to endorse the Annual Equality Report and approve the new longer-term equality objectives for 2025-2028 which is provided in Appendices 1 and 2.

## **B. Impact on North East Combined Authority Objectives**

The equality objectives have been closely aligned with our strategic missions as set out in the North East CA Corporate Plan. The objectives are also firmly rooted in regional evidence around inequality.

## **C. Key risks**

Failure to achieve the planned outcomes, presents a risk of further widening the gap between those with and without certain characteristics. This will have impacts both in respect of health and wellbeing, and an inability to meet current and future employer demand and grow a more resilient local economy. The new equality objectives and the action plan which will underpin them will directly mitigate against this risk.

The North East CA also has a performance management framework against which to measure and understand progress against our objectives. We will use this to review progress within the next year, actively inform any new programmes or projects we undertake and ensure this analysis is applied to our policy approach going forward. This will include giving due consideration to other relevant groups which are not explicitly protected by the Equality Act 2010, such as carers or veterans.

## **D. Financial and other resources implications**

There are no financial implications of this report.

## **E. Legal implications**

The Monitoring Officer has been consulted and has no comments to add.

## **F. Equalities Implications**

The contents and recommendations of this report will directly deliver the North East CA's obligations in line with the Public Sector Equality Duty (April 2011) which requires public authorities to have due regard to the need to achieve the objectives of the Equality Act 2010. Our Equality Objectives enable the North East CA to advance equality of opportunity between persons who share relevant protected characteristics and those who do not, helping us to make the North East the real home of opportunity.

## **G. Consultation and engagement**

Both the content of the annual equalities report and the new equalities objectives have been consulted on widely. Internal colleagues from a variety of teams have fed into the process through a series of focus groups. Overview and Scrutiny Committee members were consulted in March and their feedback has been incorporated into the report. The Education, Inclusion and Skills Portfolio Advisory Board were also consulted at their meeting in March and their feedback has been incorporated into the report. The VCSE sector was consulted in May and there are plans to consult with business communities on the action plan once the new Shine programme is established, subject to Cabinet endorsement.

## **H. Appendices**

Appendix 1 - Opportunity for Everyone - Annual Equalities Report 2024-25 – Designed Version  
Appendix 2 - Opportunity for Everyone - Annual Equalities Report 2024-25 – Accessible Text Version

## **I. Background papers**

[Cabinet Decision Notice - 11 June 2024](#)

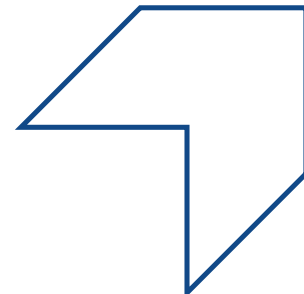
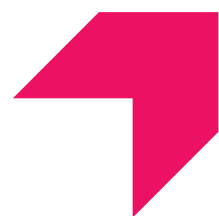
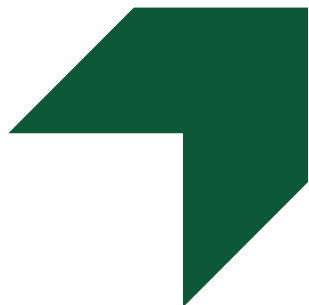
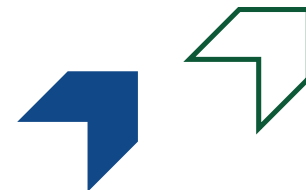
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## **K. Glossary**

None





## Opportunity for Everyone

The North East Combined Authority's  
Annual Equality Report (2024-25)

# Contents

Foreword	03
Executive summary	04
The North East Combined Authority - People and Places	05
Equality objectives 2024-2025	06
Progress against 24-25 objectives	09
Our role as an employer	09
Our role as a commissioner	12
Our role as a convener	16
Looking to the future: 2025-2028 Equality Objectives	19





# Foreword

## from North East Mayor Kim McGuinness

### Equality, diversity and inclusion are at the heart of my vision for the North East.

I firmly believe that to unlock our region's full potential, we must tap into the diverse talents, skills, and perspectives of all our people. Equality, diversity, and inclusion are not just values—they are economic imperatives.

To truly make the North East the home of opportunity for everyone, we need to prioritise inclusive economic growth. This means creating an economy that works for everyone—one that ensures no one is left behind and every person, regardless of where they come from, can contribute to and benefit from our region's prosperity.

Strong growth sectors – drawing on talent from diverse backgrounds combined with a thriving foundational economy that is built on inclusivity – will be key to this success. By ensuring our businesses can recruit and retain a diverse, healthy, and highly skilled workforce, we will create the conditions for long-term growth. This is the future we must build: an economy where opportunity is open to all, and everyone has the tools they need to thrive.

Equally, our internal policies at the North East CA should mirror the inclusivity we seek in the wider region. We are committed to fostering a workplace where barriers to opportunity are removed. A place where everyone's voice is heard, everyone feels they belong, and

everyone has the opportunity to contribute meaningfully to our collective success.

At the forefront of our ambition to create a vibrant, growing economy, we will champion digital inclusion, improve health outcomes, tackle educational inequality, build stronger neighbourhoods, and develop an integrated transport network that serves everyone—no matter where they live or what their background is.

One of the most pressing challenges in our region today is child poverty. Tackling this is not just a moral obligation, it is an economic necessity. High rates of childhood poverty and hardship rob young people of the chance to reach their full potential and ultimately hold our entire region back. For the North East to thrive, we must ensure that every child—no matter their background—can grow up with access to the opportunities and resources that will allow them to flourish.

That is why I'm proud to launch our three-year equality objectives, which focus on our roles as an employer, a commissioner and a convener. These objectives will not only shape a more equitable future for the North East but will also lay the foundation for an economy that works for all, in a region that we can all be proud to call home.

**Source:** Detailed evidence base available at: <https://evidencehub.northeast-ca.gov.uk/>





## Executive summary

### The connection between equality, diversity, and inclusion (EDI) and sustainable economic prosperity is well documented.

Evidence shows that businesses creating equitable workplaces are in a stronger position to recruit and retain talent and are more profitable and innovative than others.

It's simple: a thriving economy needs a fair economy. By creating opportunity and removing barriers to success, we can enable our businesses to access a more diverse and skilled workforce. We all win.

In our first year, against a challenging regional backdrop, the North East Combined Authority (North East CA) has made significant strides toward embedding equality, diversity, and inclusion at the heart of everything we do.

Through a range of impactful initiatives, investments and engagement activities, we have created opportunities that residents and businesses can both contribute to and benefit from. We have also worked hard to ensure that our employees can feel a strong sense of belonging. We're proud of our internal equality impact assessment process and the positive employee response, coupled with our tailored training, guidance, and data-driven approach, which

has reinforced our commitment to meaningful change.

Looking ahead, we're excited to launch our ambitious three-year objectives, developed through extensive research and consultation. These objectives will drive our efforts to create a more inclusive, fair, and forward-thinking North East, one where opportunity is open to all and where we can all take pride in calling it home. We look forward to sharing our progress and building on this momentum in the years ahead.

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**Source:** Detailed evidence base available at: <https://evidencehub.northeast-ca.gov.uk/>





# The North East Combined Authority: People and Places

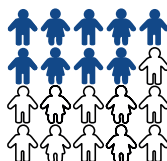
**The North East CA spans dynamic cities, historic towns, and striking coastlines and countryside.**



Home to just over  
**2 million** people



The population is increasingly diverse -  
**6.6%** of residents are from ethnic minority backgrounds



**Nine** of England's 20 most disadvantaged communities are in the North East



Child poverty affects  
**30%** of children

Its communities, rooted in a rich natural and cultural heritage, are home to just over 2 million people across County Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside, and Sunderland.

Population patterns vary: around 29% live in the largest urban centres (Newcastle, Sunderland, and Gateshead), while others are spread across smaller towns and rural areas. The population is increasingly diverse—6.6% of residents are from ethnic minority backgrounds, rising to nearly 10% among under-50s. The region also has significant populations of specific ethnic groups, including Iranian, Bangladeshi, Jewish, and Chinese communities. Many LGBTQ+ residents and people with diverse gender identities also contribute to the region's rich social fabric.

However, the region faces persistent challenges. Child poverty affects 30% of children, wages are the lowest in the UK, and economic inactivity is high, particularly due to ill health. Disability and unpaid care levels are also above the national average, and access to qualifications remains below that of other regions. Nine of England's 20 most disadvantaged communities are in the North East, and nearly a third of residents are at risk of transport-related social exclusion.

Despite this, the North East CA sees a region full of potential. We passionately believe that these challenges are not insurmountable. We have many amazing assets to build on, including internationally

renowned universities, a great network of employment support providers, a strong and co-ordinated skills offer across sectors reaching a diverse audience and a vibrant and passionate voluntary, community and social enterprise (VCSE) sector supporting stronger communities. Our work towards fighting inequality aims to capitalise on these assets and make the North East a great place to live, work, visit and invest.



## Our 2024-25 equality objectives

In June 2024, the North East CA's Mayor and Cabinet agreed the following one-year equality objectives.

### As an employer

Area	Long term commitment	Equality objective
<b>01</b> <b>Diversity</b>	We will take steps to ensure the diversity of our workforce reflects the population we serve.	Develop the systems required to collect and analyse employee data so that we can identify diversity gaps and develop an action plan to begin addressing them, including proactive actions within recruitment processes.
<b>02</b> <b>Equity</b>	We will ensure that our policies are applied fairly, enabling all staff to thrive and contribute to the success of the organisation.	Develop the systems required to assess whether policies and procedures are being applied equitably, so that we can identify any disparities and develop an action plan to begin addressing them.
<b>03</b> <b>Inclusion</b>	We will create the conditions that support staff to feel valued, respected and heard at work.	Develop a better understanding of staff experiences of inclusion through a programme of engagement, developing an action plan to begin addressing any challenges and opportunities uncovered.
<b>04</b> <b>Training</b>	We will ensure that all staff and Cabinet are confident in adhering to the Public Sector Equality Duty.	Ensure all employees and Cabinet members complete equality, diversity and inclusion training on a regular basis.

## As a commissioner and deliverer of services

Area	Long term commitment	Equality objective
<b>05 Evidence</b>	We will develop a deep understanding of the inequalities faced by residents in our region.	Proactively embed equalities in the existing economic analysis of the organisation, targeting gaps in evidence, and using our evidence work to champion action to address issues of inequality. We will work with partners and communities to understand the impact of inequalities on people's lives.
<b>06 Strategic plans</b>	We will embed actions to reduce inequalities and promote inclusion across all Combined Authority investments and policies.	Identify and embed opportunities to address inequalities across all portfolios and strategic plans.
<b>07 Guidance</b>	We will embed actions to reduce inequalities and promote inclusion across all Combined Authority investments and policies.	Develop guidance for colleagues and partners to embed reducing inequalities and promoting inclusion into the design, appraisal, monitoring and evaluation of all Combined Authority policy and investments.
<b>08 Funding</b>	We will consistently apply the principles of equity and inclusion to the way we make funding accessible.	Work with partners and other funders to ensure our funding opportunities are accessible to organisations working with some of our most under-represented residents.
<b>09 Data</b>	We will use data and evidence to drive action to address inequalities and promote inclusion.	Develop systems to consistently collect, monitor and evaluate disaggregated data about the people benefitting from our funded activity, taking action to identify and address gaps in participation.

## As a convener

Area	Long term commitment	Equality objective
<b>10 Engagement</b>	We will build strong relationships with those around us to help us achieve our goals for the region.	Develop an approach to inclusive engagement that helps to build positive relationships with diverse audiences so that our policies reflect the needs and ambitions of our people and communities.
<b>11 Collaboration</b>	We will build strong relationships with those around us to help us achieve our goals for the region.	Establish an Equalities and Inclusion working group with membership comprising of colleagues from all seven local authorities plus other key stakeholders.
<b>12 Membership</b>	We will take steps to appoint a diverse membership to our boards which reflects the communities we serve.	Regularly review membership of advisory groups and governance forums, ensuring that membership is diverse and inclusive.





# Progress against our 2024-25 equality objectives

## Our role as an employer

### Employee diversity

We believe that diversity follows from creating an inclusive workplace, and it is our ambition to create an employee community that fosters inclusivity, where every voice is heard, and everyone feels a sense of belonging. During 2024-25 we launched our employee voice platform and completed our first baseline survey, which has helped us to understand how we can build on employee workplace inclusion. We have also launched the 'open door' which is a confidential digital tool to enable employees to share feedback with us.

Since the formation of the North East CA in May 2024, we have been developing an online system to collect and analyse employee data. The tables to follow compare the composition of the current employee team (from the information provided online by employees) with the wider North East demographic to identify how well we reflect our regional population.

The employee data currently available to us suggests that there remain opportunities for the North East CA to build a more diverse workforce and that our workforce may not currently be representative of the wider North East region. This is difficult to say for sure as a large percentage of our employees have not yet shared their personal information. We are committed to building a fuller picture of our employee data so we can measure progress towards growing a more diverse workforce.

At the time of writing, the North East CA had 209 employees.

Age range	North East CA headcount	Percentage	Regional percentage
18-25	9	4%	15%
26-35	48	23%	19%
36-45	62	30%	18%
46-55	63	30%	18%
56-64	24	11%	19%
65+	3	1%	11%

Gender	North East CA headcount	Percentage	Regional percentage
Male	86	41%	49%
Female	123	59%	51%
Prefer to self-describe	0		

Ethnic group	North East CA headcount	Percentage	Regional percentage
White	46	22%	93%
Ethnic Minority (excluding white minority groups)	2	1%	7%
No data available	161	77%	

Disability	North East CA headcount	Percentage	Regional percentage
Yes	2	1%	31%
No	31	15%	68%
No data available	176	84%	1%

Sexual orientation	North East CA headcount	Percentage	Regional percentage
Gay, Lesbian or Bisexual	1	0%	4%
Heterosexual or Straight	42	20%	91%
No data available	166	79%	5%

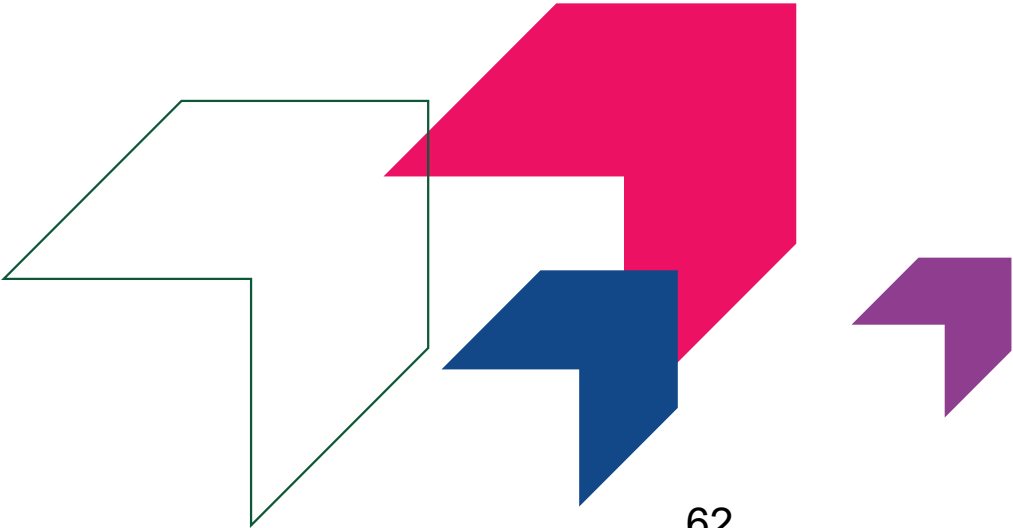
We are proud to have signed up to several social impact pledges that support our communities including the Armed Forces Covenant, the Age-Friendly Employer Pledge, the Race at Work Charter and the Disability Confident Scheme. An internal task group manages progress towards these social impact pledges, and we are committed to reporting on progress.

Workplace equality

Our mission is for the North East to be known as the home of real opportunity and we are building our workplace to reflect this, to ensure that all staff have access to employment opportunities, learning opportunities and policies which mean they are treated fairly, in a way that takes into consideration their background and identity where appropriate.

For the 2025-26 employee survey, our strategy is to expand the baseline and introduce a tailored equality, diversity and inclusion (EDI) survey. This survey will feature questions designed by occupational psychologists with expertise in this area.

Our focus during 2025-2026 will be to increase awareness of equalities and to build a deeper understanding of employee sentiment about this. Feedback will be analysed and a set of key initiatives to drive impactful outcomes will be developed and measured against key performance indicators.



## Inclusion

Coming together as part of a new organisation, our employees have experienced a significant amount of change in the last year. We have taken steps to help employees feel more included, ensuring they feel a sense of belonging as we build our new ways of working. We have fortnightly employee huddles, a weekly employee email and teams regularly come together to celebrate events such as International Women's Day and Ramadan.

Workplace values and behaviours are key components to drive successful environments for our staff to thrive. Our values were created at the start of our journey, and we continue to embed those values through our everyday working lives.

### Our values

- Strive for brilliance
- Be inclusive
- One team
- Make it happen
- Drive sustainability

As part of this commitment, our talent framework will capture and reinforce our values, while our new recognition tool, High Fives, will celebrate employees who exemplify our values and highlight the positive impact of their actions.

Our People Team have established colleague engagement groups to support our journey and build on employee voice. The culture and engagement group brings together 'culture ambassadors' from across our organisation who strive to reinforce our values. Connected to our culture group is our social and events group. The social and events group focuses on our newly designed culture calendar which is part of our efforts to become a more inclusive organisation.

And finally, we have created a 'Fairer North East Employee Group' which is attended by colleagues from across the organisation. The Fairer North East Group aims to champion EDI across the North East CA. This group is a space for employees to share ideas, promote best practice, and learn from each other in a supportive, inclusive environment.

## Learning and Development

In September 2024 we ran our first 'Fairer North East' week. This was a week of activities and information sharing for employees, dedicated to celebrating inclusion and taking action to embed equalities in our day-to-day work. We plan to make this an annual event.

As part of the week's activities, we launched a section on the intranet which is dedicated to equalities. We created a training video for employees on the Public Sector Equality Duty and we reviewed

and re-launched our Equality Impact Assessment process and ran two hour-long training sessions on this, delivered by a local training provider. We also delivered an employee 'learning hour' session about gender-responsive policy making, which was attended by 57 employees.

Following on from this, we have invited various external speakers to run 'learning hour' sessions on topics relevant to EDI, usually once a month. These have included topics such as dementia, violence against women and girls, the One Million Women and Girls Campaign, International Women's Day, challenges for young disabled people and left behind neighbourhoods. We plan to continue this so that EDI training is regularly offered to colleagues. Feedback from colleagues was collected after each session and has been very positive with employees commenting on the value of receiving insights from a credible organisation, the value of regionally contextualised insights and the opportunity for a conversation with experts.

Recently we have reviewed our approach to organising events and created comprehensive information including an inclusive event checklist for employees about how to consider physical accessibility and communication needs during events. We aim to launch training on inclusive event management to ensure North East CA events are accessible and inclusive as standard. We are also working with local specialist organisations on our approach to inclusive communications and documents and have attended training on this. We have updated our house style guide with our learnings so far and aim to produce a separate guidance document and checklist on inclusive communications.



## Our role as a commissioner

### Data and Evidence

As part of developing a deeper understanding of the inequalities faced by residents in our region, this year we have created a comprehensive set of policy briefings. The briefings use up to date, regional data which creates a firm evidence base and provides colleagues with a regional profile of inequality, which can be used as part of business casing, impact assessing, and as part of our wider decision-making processes.



We also created a specific set of policy briefings focussing on violence against women and girls, which we shared with colleagues during White Ribbon Day. The briefings were split per policy area, showing how this impacts on those accessing services such as transport, housing, skills and employment. The data has been used as part of equality impact assessments and in business cases.

We have continued to update the North East Evidence Hub with more data and analysis that helps employees understand inequalities across the region and this is used in business casing and evaluation processes, and we are working with ONS Local to uncover more data on the residents that face the greatest barriers to work.

And finally, we have begun to develop a process for collecting, monitoring and evaluating disaggregated data about our project beneficiaries. This involves a detailed data capture schema which asks for details about the personal characteristics of those benefitting from our funded activity and is mandatory for certain projects with people-focussed outputs and targets. There are examples of good work across the organisation where colleagues have started to analyse this disaggregated beneficiary data for use in live and new programmes of work. A working group has been established to embed this way of working.



## Case study: Considering accessibility: Electric bus event

A great example of how the North East Combined Authority is working alongside partners and communities to understand the real-life impact of our initiatives is the 2024 electric bus event. As part of the Levelling Up Fund and the ZEBRA 2 (Zero Emission Bus Regional Areas) programme, the North East secured funding to introduce 95 zero-emission buses across the region.

These new vehicles come with enhanced accessibility features, including space for up to two wheelchair users, clear audio-visual announcements, a hearing loop, and an external noise sensor to alert pedestrians when the bus is moving quietly at low speeds.

To ensure these buses truly meet the needs of those who rely on them, we hosted a dedicated event for accessibility groups and bus users. This gave people the opportunity to explore the buses in a safe, controlled environment and get hands-on experience with the new features. More importantly, it created a platform for open dialogue about the day-to-day challenges many face when using public transport.

Representatives from partner organisations including Nexus, Local Authorities, and bus operators were also on hand to answer technical questions and hear directly from users. The event not only helped us strengthen existing relationships with community groups but also fostered new connections. It was a valuable step in making sure these incoming buses meet the high accessibility standards we've committed to delivering.





## Strategic plans

As a newly formed Combined Authority with a newly elected Mayor, strategic plans were created and approved soon after the transition. Intentional efforts were made to ensure that these plans were aligned with organisational equality objectives and held EDI at their core. As such, opportunities to address inequality have been identified across all work areas and these are reflected in our three-year equality objectives.

We have also spent time ensuring that our new Single Assurance Framework, which outlines the processes and templates we use for designing and delivering projects, includes reducing inequalities and promoting inclusion at all relevant points. Colleagues must now evidence that they have considered inequality at multiple stages of a project, from design right through to delivery, monitoring, and evaluation. Our equality impact assessment process has been reviewed and revised in line with national examples of best practice. We relaunched this process in September 2024 and provided online and face to face training to all employees. We have since seen 15 equality impact assessments completed, including for some very large pieces of work (such as adult skills provision and the city region sustainable transport settlement) with excellent examples of programmes which have been tailored to intentionally focus on those most at risk of exclusion.

We have scheduled an annual review of the impact assessment process, and we have trialled an integrated impact assessment form which encourages employees to consider implications beyond the protected characteristics to include wider socio-economic disadvantages that drive health inequalities.

Feedback about the new equality impact assessment process has been largely positive with external reviewers calling it robust and well thought out – one colleague commented that:

*'The (equalities and inclusion) team could not have been more supportive or helpful, working with us to identify data and evidence around the Adult Skills Fund (ASF), to consider all the protected characteristic groups and how the identified priorities for the ASF support the specific groups or where more consideration is required. The team made us consider ASF from a different perspective, offered support and guidance in the process of completing the EIA.'*

## Funding

We have started to gather insights into whether our funding opportunities are accessible to organisations working with some of our most underrepresented groups and to establish what the barriers may be. This included project-close meetings with some of our small VCSE delivery partners and also a programme-wide interim evaluation of UKSPF projects. This has identified some highlights and some areas for improvement for smaller providers/delivery partners working with underrepresented groups and we continue to work on this and have made it a fundamental part of our longer-term objectives.

In addition to this, a wide variety of our programmes are specifically designed to provide funding opportunities to organisations working with some of our most underrepresented residents including our UKSPF communities and place programmes. Our Volunteering and Social Action programme invested

£1m in creating opportunities for residents from all walks of life to access high quality, meaningful volunteering and training opportunities. The delivery partnership, led by VODA, is expecting to exceed all project outcomes. They have brokered some brilliant opportunities for local volunteers, charities and community groups including working with older people, homeless people, food banks, hospices and men's groups. They have spent particular time and effort on connecting those residents seeking asylum or refuge in the North East with appropriate opportunities (including some voluntary positions in radio production) and they have helped to develop better connections between village halls and community groups in rural areas, helping to support stronger and more connected communities.



## Case study: The Mayor's Opportunity Fund

**The Mayor's Opportunity Fund was established by the North East CA in September 2024 to invest £1m into supporting small charities and community groups across the region.**

Working in partnership with the Community Foundation and Point North ensured that grants were accessible to small unincorporated community groups as well as registered charities. The first round of the fund focussed on supporting 33 organisations delivering activity that supports inclusion, cohesion and resilience in some of our most disadvantaged areas.

One successful project was 'Seaham United', which used a grant of almost £10,000 to breathe new life into Seaham Youth and Community Centre in County Durham.

Along with paying the wages of a youth and community worker, the £9,989 awarded was used to buy a new commercial oven and for the provision of 500 hot meals at 99p for young people and old people using the centre.

"The Mayor's Opportunity Fund has been an absolute lifeline for us," said Seaham Youth and Community Centre Coordinator Ethan Lowerson-Marshall.



And finally, we supported Newcastle's hosting of the 2025 MOBO Awards, Europe's biggest celebration of black music and culture. The MOBO Fringe Festival provided five days of culture, community and creativity showcasing Black music and talent in the North East. Hosting the Awards and Fringe in our region brought significant benefits to the local economy as well as new opportunities for residents. Our young people developed skills and improved their wellbeing through volunteering and participating in cultural and creative activities. 2,000 pupils took part in MOBO Legacy Workshops exploring anti-racism and social cohesion. A total of 58 cultural activities were hosted with an estimated economic and social impact of £1,315,810.





## Our role as a convener

### Engagement

As a new Combined Authority, we have worked hard to establish strong relationships with partners across the region who are working towards similar goals, to help them amplify their work and to avoid duplication. This has included the regional women and girl's network, the North East Anti-Racist Coalition, Northern Pride, the North East Regional Employers Organisations, The Access Association NE and many more.

We have also worked closely with the One Million Women and Girls Campaign Group and with Difference North East, and the North East Mayor has signed pledges to improve the lives of women, girls, and disabled people in our region. So far, our progress towards these pledges has been positive and all pledges have been rolled into our three-year objectives and our equality impact assessment process.

With regards to women and girls, our UKSPF Community Partnerships programme, commissioned Salute Her to co-design a programme of work with women and girls. They worked with over 100 female veterans of all ages from late teens to almost 80 years old, who are all survivors of sexual trauma, abuse and or violence. They held four Afternoon Tea sessions with 45 attendees at each one, two sex and intimacy courses for sexual trauma with 19 attendees over the two sessions, cookery courses, menopause matters workshops, lunch groups and meditation groups. Feedback from attendees has been that talking about healing and body confidence and how

to put trust in others has been life changing. One attendee commented "Accessing support, making friends and starting my own business has been a game changer in my life; I am learning the skills I should have learned as a child. There is only one word to describe how I feel at the moment, and that's empowered. Empowered to be me."

*'We are encouraged both by the expressed commitment of senior leadership and individual teams at NECA to embedding gender equality into all areas of the Combined Authority's work, and by the concrete steps already taken. There is, of course, so much more to be done both strategically and operationally - real change requires structural reform, accountability, and measurable impact - we are excited to see what we can achieve together to maximise the potential of women and girls in our region.'*

**The One Million Women and Girls campaign team**

With regards to the disability devolution pledges, particular progress has been made in starting to build a transport infrastructure that enables disabled people to safely travel, with disabled residents and partners being a key part of the transport consultation and the bus accessibility event, mentioned earlier in this report.

The Mayor's Local Transport Plan Consultation offers a great example of successful and inclusive engagement with diverse audiences. The consultation prioritised gender representation, young people,

rural areas and people with disabilities as previous consultation and engagement highlighted that these groups had historically been underrepresented and often experienced significant barriers to accessing public transport.

In total, 16,294 survey responses were received and 36 community engagement sessions were held. Of the total responses, 54% were female and we received a response from every postcode district in the region, and 7% of our total responses came from young people aged 25 and under. The team felt strongly that gathering diverse perspectives had provided them with a fuller understanding of the challenges and opportunities within the region, enabling more informed decision-making and they also felt it had strengthened relationships with key partners in the region.

A final example of inclusive engagement in the last year has been around the commissioning of the devolved Adult Skills Fund (ASF), where a large-scale learner survey was conducted. This was an online survey conducted through our online engagement platform which has various accessibility features and helps to ensure diverse audiences can participate. There were 955 respondents, and we intentionally collected disaggregated data to help us better understand our learner demographic. The responses have provided a wealth of information and feedback on current provision including learner needs and support available, ease of access to provision and career pathways. The evidence from the survey has been shared with the current ASF providers and will help develop future provision and delivery models.



## Case study: Yalla!

### In 2024 the combined authority funded (through UKSPF) a project called Yalla!.

The project aims to support Jewish business owners in the Gateshead area. The Heradi Orthodox Jewish community in Gateshead is around 4000 people, but no one from this community was accessing support from the North East Growth Hub.

The community faces problems with child poverty, especially as having larger than average families they are impacted by the cap on child benefit and they have a higher than average reliance on in work benefits due to low pay.

The community faces problems with child poverty, especially as having larger than average families they are impacted by the cap on child benefit...

Combined Authority staff attended an awareness session on Orthodox Jewish culture and way of life and decided to be more proactive in engaging with business owners from the Jewish community.

Colleagues working in communications have now also attended the cultural awareness session and have changed imagery and language on the growth hub web pages to make it more culturally acceptable. This work has also paved the way for a mentoring project in the business community.



### Collaboration

We are keen to build strong relationships with those around us and to amplify and support the good work already happening in the region.

As part of this we have joined the existing Equalities and Inclusion working group comprising of colleagues from all seven local authorities, plus other key stakeholders such as the integrated care board and the fire service. We organised individual meetings with EDI colleagues at each constituent local authority to collect best practice and understand what their roles were and where they felt we could add value.

We have also been part of the formation of a network of EDI leads from Mayoral Combined Authorities around the country which meets monthly and is becoming an increasingly strong force for EDI best practice in Combined Authority settings.

We are in the process of developing our approach to citizen engagement and we are committed to creating an approach to co-design and collaboration that ensures that the voices of our most marginalised citizens and communities are reflected in our thinking. We have recently set up a Citizen Engagement Network that brings together engagement practitioners from each of the constituent local authorities to map out engagement activity across the region, share best practice, and help inform our strategic approach to citizen engagement.

## Working together: Using Communities of Practice (CoP) to increase employer encounters and experiences for young people with SEND

We know that young people with special educational needs and disabilities (SEND) have a huge amount to offer North East employers, but we also know that these young people often face additional barriers that prevent them from making successful transitions into positive destinations, including apprenticeships and employment. We are passionate about the North East being a home of real opportunity and making sure that every individual has the opportunity to access good work. This is why we have placed young people with SEND at the heart of our work through North East Ambition.

As part of this work, last summer, we re-launched and extended the membership of our SEND Community of Practice (CoP), which brings together the career leaders from the region's special schools as well as other key stakeholders, including local authorities, to network, share best practice and work together to further develop the careers programmes for each of their own schools and colleges, so they are better able to provide a range of meaningful encounters and experiences for their learners. This work helps help young people, and parents/carers, better understand the opportunities available in the region and to prepare for the future. Through a range of 1:1 meetings, as well as regional, online meetings and an annual conference we are able to use this CoP to increase the confidence and knowledge of career leaders, ensure they are aware of the full range of support available for themselves and

their learners and co-design and deliver a number of different employer based projects. These activities provide opportunities for young people to develop their understanding of the world of work and career readiness, as well as supporting employers from across the region, of different sizes and from a range of sectors to connect to their local communities, develop their own workforce and encourage a more diverse and inclusive talent pipeline. Examples of employers engaging in this work include Alnwick Gardens, Beamish Museum and NHBC Construction Hub.

One Headteacher of a school involved commented that the experience had "really impacted" his learners "and he had never seen the class so enthusiastic and felt that there was a marked change in them".

From an employer's perspective, one commented, "It has been a real privilege to play a vital role in delivering these experiences of the workplace. Our staff have flourished in the lead roles they have taken in designing and implementing the experiences and we are proud of to have been a part of this exciting and impactful project".



## Looking to the future

# Our three-year Equality Objectives - 2025-2028

**We're excited to launch our ambitious three-year objectives, informed by the findings of this year's transitional objectives, regional data and co-designed with key stakeholders to build on the progress made during our first year.**

These objectives will drive our efforts to create a more inclusive, fair, and forward-thinking North East, one where opportunity is open to all and where we can all take pride in calling it home.

Our equality objectives have been designed to reflect the different roles we play as:

- Employer
- Commissioner
- Convener

The objectives, laid out in this document alongside key actions and indicators of progress, demonstrate our commitment to supporting strong and connected communities that help to reduce inequalities and improve wellbeing for all.

A detailed action plan will sit behind these objectives and will be reviewed on an annual basis. We are committed to reporting on the progress we make against these objectives and look forward to celebrating this in the coming years.

### Role: Employer

#### Objective

We will build a diverse workplace where all individuals feel valued, respected and empowered to reach their full potential, regardless of background, identity, or personal circumstances – striving to make everyone feel they belong.

#### Key Actions

- Diversify recruitment practices to attract candidates from underrepresented groups and ensure an inclusive assessment and recruitment process
- Provide equal opportunities for career growth through training, professional development, and leadership programs
- Develop inclusive leadership competencies and ensure leaders are equipped to manage diverse teams effectively
- Regularly review performance processes to eliminate bias and ensure fairness in evaluations

#### Evidence we will collect to track our progress

- Employee diversity metrics
- Pay equity reviews (publishing pay gap information where required by the Public Sector Equality Duty)
- Colleague survey engagement scores
- Details of training and development undertaken by employees



## Role: Commissioner

### Objective

We will invest in services that are accessible and responsive to the needs of all communities and businesses, removing barriers to success and driving economic growth that delivers for all our residents.

### Key Actions

- Continue to complete equality impact assessments to ensure that all commissioned activity is designed to remove barriers to opportunity.
- Further develop our approach to the collection and analysis of disaggregated data to ensure that all commissioned activity reaches under-represented communities and businesses.
- Review our commissioning process to make sure it works for the small businesses, entrepreneurs and community organisations that keep our local economy going.
- Develop an approach to incorporating considerations of health in our policies, to ensure commissioned activity contributes to addressing regional health inequalities; increasing healthy life expectancy and addressing health-related economic inactivity.
- Maximise the impact of social value in procurement to produce the greatest social, economic and environmental returns for our communities and neighbourhoods.

### Evidence we will collect to track our progress

- Completed equality impact assessments
- Analysis of beneficiary data
- Case studies of targeted commissioned activity to address disparities
- Analysis of percentage of commissioned activity secured by SMEs and VCSE sector
- Evidence of social value delivered by procured suppliers



## Role: Convener

### Objective

We will play a strong leadership role in convening partners around regional priorities, building an inclusive and diverse coalition to understand and meet the needs and ambitions of the communities and businesses we serve.

### Key Actions

- Continue to lead the Child Poverty Reduction Unit, taking a strategic, long-term and collaborative approach to tackling the long-term structural drivers and outcomes of this issue for our region.
- Build a strong and equitable relationship with our local VCSE sector to ensure we can most effectively draw on their expertise and reach into under-served communities and neighbourhoods.
- Encourage and support the region's business sectors to increase the diversity of their employees, so that they mirror those of the working age population, across all characteristics.
- Work alongside residents as key partners, giving the people of the North East a real say over their future and devolving power down to our communities.
- Ensure that the way we communicate with all partners and stakeholders is accessible and inclusive.

### Evidence we will collect to track our progress

- Evidence of working with the VCSE sector to increase our reach into priority communities and neighbourhoods
- Case studies of employers accessing support to open up more good jobs, higher levels of employment, and rising take home pay
- Evidence of engagement and co-designing our work with residents representing underserved communities and neighbourhoods





# **Opportunity for Everyone**

## **The North East Combined Authority's Annual Equality Report (2024-25)**

## **Contents**

Executive summary	page 3
Foreword	page 4
The North East CA's People and Places	page 6
Equality objectives 24-25	page 7
Progress against 24-25 objectives	page 10
Our role as an employer	page 10
Our role as a commissioner	page 16
Our role as a convener	page 21
Looking to the future	page 26
2025-2028 Equality Objectives	page 27



## Executive Summary

The connection between equality, diversity, and inclusion (EDI) and sustainable economic prosperity is well documented. [Evidence shows](#) that businesses creating equitable workplaces are in a stronger position to recruit and retain talent and are more profitable and innovative than others.

It's simple: a thriving economy needs a fair economy. By creating opportunity and removing barriers to success, we can enable our businesses to access a more diverse and skilled workforce. We all win.

In our first year, against a challenging regional backdrop, the North East Combined Authority (North East CA) has made significant strides toward embedding equality, diversity, and inclusion at the heart of everything we do.

Through a range of impactful initiatives, investments and engagement activities, we have created opportunities that residents and businesses can both contribute to and benefit from. We have also worked hard to ensure that our employees can feel a strong sense of belonging. We're proud of our internal equality impact assessment process and the positive employee response, coupled with our tailored training, guidance, and data-driven approach, which has reinforced our commitment to meaningful change.

Looking ahead, we're excited to launch our ambitious three-year objectives, developed through extensive research and consultation. These objectives will drive our efforts to create a more inclusive, fair, and forward-thinking North East, one where opportunity is open to all and where we can all take pride in calling it home. We look forward to sharing our progress and building on this momentum in the years ahead.

## **Foreword from North East Mayor Kim McGuinness**

Equality, diversity and inclusion are at the heart of my vision for the North East. I firmly believe that to unlock our region's full potential, we must tap into the diverse talents, skills, and perspectives of all our people. Equality, diversity, and inclusion are not just values—they are economic imperatives.

To truly make the North East the home of opportunity for everyone, we need to prioritise inclusive economic growth. This means creating an economy that works for everyone—one that ensures no one is left behind and every person, regardless of where they come from, can contribute to and benefit from our region's prosperity.

Strong growth sectors – drawing on talent from diverse backgrounds combined with a thriving foundational economy that is built on inclusivity - will be key to this success. By ensuring our businesses can recruit and retain a diverse, healthy, and highly skilled workforce, we will create the conditions for long-term growth. This is the future we must build: an economy where opportunity is open to all, and everyone has the tools they need to thrive.

Equally, our internal policies at the North East CA should mirror the inclusivity we seek in the wider region. We are committed to fostering a workplace where barriers to opportunity are removed. A place where everyone's voice is heard, everyone feels they belong, and everyone has the opportunity to contribute meaningfully to our collective success.

At the forefront of our ambition to create a vibrant, growing economy, we will champion digital inclusion, improve health outcomes, tackle educational inequality, build stronger neighbourhoods, and develop an integrated transport network that serves everyone—no matter where they live or what their background is.

One of the most pressing challenges in our region today is child poverty. Tackling this is not just a moral obligation, it is an economic necessity. High rates of childhood poverty and hardship rob young people of the chance to reach their full potential and ultimately hold our entire region back. For the North East to thrive, we must ensure that every child—no matter their background—can grow up with access to the opportunities and resources that will allow them to flourish.

That is why I'm proud to launch our three-year equality objectives, which focus on our roles as an employer, a commissioner and a convener.

These objectives will not only shape a more equitable future for the North East but will also lay the foundation for an economy that works for all, in a region that we can all be proud to call home.

## **The North East Combined Authority: People and Place**

The North East CA spans dynamic cities, historic towns, and striking coastlines and countryside. Its communities, rooted in a rich natural and cultural heritage, are home to just over 2 million people across County Durham, Gateshead, Newcastle upon Tyne, North Tyneside, Northumberland, South Tyneside, and Sunderland.

Population patterns vary: around 29% live in the largest urban centres (Newcastle, Sunderland, and Gateshead), while others are spread across smaller towns and rural areas. The population is increasingly diverse—6.6% identify as having an ethnic minority heritage, rising to nearly 10% among under-50s. The region also has significant populations of specific ethnic groups, including Iranian, Bangladeshi, Jewish, and Chinese communities. Many LGBTQ+ residents and people with diverse gender identities also contribute to the region's rich social fabric.

However, the region faces persistent challenges. Child poverty affects 30% of children, wages are the lowest in the UK, and economic inactivity is high, particularly due to ill health. Disability and unpaid care levels are also above the national average, and access to qualifications remains below that of other regions. Nine of England's 20 most disadvantaged communities are in the North East, and nearly a third of residents are at risk of transport-related social exclusion.

Despite this, the North East CA sees a region full of potential. We passionately believe that these challenges are not insurmountable. We have many amazing assets to build on, including internationally renowned universities, a great network of employment support providers, a strong and co-ordinated skills offer across sectors reaching a diverse audience and a vibrant and passionate voluntary, community and social enterprise (VCSE) sector supporting stronger communities. Our work towards fighting inequality aims to capitalise on these assets and make the North East a great place to live, work, visit and invest.

## **Our 2024-25 equality objectives**

In June 2024, the North East CA's Mayor and Cabinet agreed the following one-year equality objectives.

### **1. Diversity**

As an employer, we will take steps to ensure the diversity of our workforce reflects the population we serve.

We will develop the systems required to collect and analyse employee data so that we can identify diversity gaps and develop an action plan to begin addressing them, including proactive actions within recruitment processes.

### **2. Equity**

As an employer, we will ensure that our policies are applied fairly, enabling all staff to thrive and contribute to the success of the organisation.

We will develop the systems required to assess whether policies and procedures are being applied equitably, so that we can identify any disparities and develop an action plan to begin addressing them.

### **3. Inclusion**

As an employer, we will create the conditions for staff to feel valued, respected and heard.

We will develop a better understanding of staff experiences of inclusion through a programme of engagement, developing an action plan to begin addressing any challenges and opportunities uncovered.

### **4. Training**

As an employer we will ensure that all staff and Cabinet are confident in adhering to the Public Sector Equality Duty.

We will ensure all employees and Cabinet members complete equality, diversity and inclusion training on a regular basis.

## **5. Evidence**

As a commissioner of services, we will develop a deep understanding of the inequalities faced by residents in our region.

We will proactively embed equalities in the existing economic analysis of the organisation, targeting gaps in evidence, and using our evidence work to champion action to address issues of inequality. We will work with partners and communities to understand the impact of inequalities on people's lives.

## **6. Portfolio plans**

As a commissioner of services, we will embed actions to reduce inequalities and promote inclusion across all Combined Authority investments and policies.

We will identify and embed opportunities to address inequalities across all portfolios and strategic plans.

## **7. Guidance**

As a commissioner of services, we will embed actions to reduce inequalities and promote inclusion across all Combined Authority investments and policies.

We will develop guidance for colleagues and partners to embed reducing inequalities and promoting inclusion into the design, appraisal, monitoring and evaluation of all Combined Authority policy and investments.

## **8. Funding**

As a commissioner of services, we will consistently apply the principles of equity and inclusion to the way we make funding accessible.

We will work with partners and other funders to ensure our funding opportunities are accessible to organisations working with some of our most under-represented residents.

## **9. Data**

As a commissioner of services, we will use data and evidence to drive action to address inequalities and promote inclusion.

We will develop systems to consistently collect, monitor and evaluate disaggregated data about the people benefitting from our funded activity, taking action to identify and address gaps in participation.

## **10. Engagement**

As a civic leader, we will build strong relationships with those around us to help us achieve our goals for the region.

We will develop an approach to inclusive engagement that helps to build positive relationships with diverse audiences so that our policies reflect the needs and ambitions of our people and communities.

## **11. Collaboration**

As a civic leader, we will build strong relationships with those around us to help us achieve our goals for the region.

We will establish an Equalities and Inclusion working group with membership comprising of colleagues from all seven local authorities plus other key stakeholders.

## **12. Membership**

As a civic leader, we will take steps to appoint a diverse membership to our boards which reflects the communities we serve.

We will regularly review membership of advisory groups and governance forums, ensuring that membership is diverse and inclusive.

## Progress against our 2024-25 equality objectives

### Our role as an employer

#### Employee diversity

We believe that diversity follows from creating an inclusive workplace, and it is our ambition to create an employee community that fosters inclusivity, where every voice is heard, and everyone feels a sense of belonging. During 2024-25 we launched our employee voice platform and completed our first baseline survey, which has helped us to understand how we can build on employee workplace inclusion. We have also launched the 'open door' which is a confidential digital tool to enable employees to share feedback with us.

Since the formation of the North East CA in May 2024, we have been developing an online system to collect and analyse employee data. The tables below compare the composition of the current employee team (from the information provided online by employees) with the wider North East demographic to identify how well we reflect our regional population.

The employee data currently available to us suggests that there remain opportunities for the North East CA to build a more diverse workforce and that our workforce may not currently be representative of the wider North East region. This is difficult to say for sure as a large percentage of our employees have not yet shared their personal information. We are committed to building a fuller picture of our employee data so we can measure progress towards growing a more diverse workforce.

At the time of writing, the North East CA had 209 employees.

Age range	North East CA headcount	Percentage	Regional percentage
18-25	9	4%	15%
26-35	48	23%	19%
36-45	62	30%	18%
46-55	63	30%	18%
56-64	24	11%	19%
65+	3	1%	11%

Gender	North East CA headcount	Percentage	Regional Percentage
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Male	86	41%	49%
Female	123	59%	51%
Prefer to self-describe	0		

Ethnic group	North East CA headcount	Percentage	Regional percentage
White	46	22%	93%
Ethnic Minority (excluding white minority groups)	2	1%	7%
No data available	161	77%	

Disability	North East CA headcount	Percentage	Regional percentage
Yes	2	1%	31%
No	31	15%	68%
No data available	176	84%	1%

Sexual orientation	North East CA headcount	Percentage	Regional percentage
Gay, Lesbian or Bisexual	1	0%	4%
Heterosexual or Straight	42	20%	91%
No data available	166	79%	5%

We are proud to have signed up to several social impact pledges that support our communities including the Armed Forces Covenant, the Age-Friendly Employer Pledge, the Race at Work Charter and the Disability Confident Scheme. An internal task group manages progress towards

these social impact pledges, and we are committed to reporting on progress.

## **Workplace equality**

Our mission is for the North East to be known as the home of real opportunity and we are building our workplace to reflect this, to ensure that all staff have access to employment opportunities, learning opportunities and policies which mean they are treated fairly, in a way that takes into consideration their background and identity where appropriate.

For the 2025-26 employee survey, our strategy is to expand the baseline and introduce a tailored equality, diversity and inclusion (EDI) survey. This survey will feature questions designed by occupational psychologists with expertise in this area.

Our focus during 2025-2026 will be to increase awareness of equalities and to build a deeper understanding of employee sentiment about this. Feedback will be analysed and a set of key initiatives to drive impactful outcomes will be developed and measured against key performance indicators.

## **Inclusion**

Coming together as part of a new organisation, our employees have experienced a significant amount of change in the last year. We have taken steps to help employees feel more included, ensuring they feel a sense of belonging as we build our new ways of working. We have fortnightly employee huddles, a weekly employee email and teams regularly come together to celebrate events such as International Women's Day and Ramadan.

Workplace values and behaviours are key components to drive successful environments for our staff to thrive. Our values were created at the start of our journey, and we continue to embed those values through our everyday working lives.

As part of this commitment, our talent framework will capture and reinforce our values, while our new recognition tool, High Fives, will celebrate employees who exemplify our values and highlight the positive impact of their actions.

Our People Team have established colleague engagement groups to support our journey and build on employee voice. The culture and engagement group brings together 'culture ambassadors' from across our organisation who strive to reinforce our values. Connected to our culture group is our social and events group. The social and events group focuses on our newly designed culture calendar which is part of our efforts to become a more inclusive organisation.

And finally, we have created a 'Fairer North East Employee Group' which is attended by colleagues from across the organisation. The Fairer North East Group aims to champion EDI across the North East CA. This group is a space for employees to share ideas, promote best practice, and learn from each other in a supportive, inclusive environment.

## **Learning and Development**

In September 2024 we ran our first 'Fairer North East' week. This was a week of activities and information sharing for employees, dedicated to celebrating inclusion and taking action to embed equalities in our day-to-day work. We plan to make this an annual event.

As part of the week's activities, we launched a section on the intranet which is dedicated to equalities. We created a training video for employees on the Public Sector Equality Duty and we reviewed and re-launched our Equality Impact Assessment process and ran two hour-long training sessions on this, delivered by a local training provider. We also delivered an employee 'learning hour' session about gender-responsive policy making, which was attended by 57 employees.

Following on from this, we have invited various external speakers to run 'learning hour' sessions on topics relevant to EDI, usually once a month, including violence against women and girls, the One Million Women and Girls Campaign, International Women's Day, challenges for young disabled people in our region and Dementia and left behind neighbourhoods. We plan to continue this so that EDI training is regularly offered to colleagues. Feedback from colleagues was collected after each session and has been very positive with employees commenting on the value of receiving insights from a credible organisation, the value of regionally contextualised insights and the opportunity for a conversation with experts.

Recently we have reviewed our approach to organising events and created comprehensive information including an inclusive event checklist for employees about how to consider physical accessibility and communication needs during events. We aim to launch training on inclusive event management to ensure North East CA events are accessible and inclusive as standard. We are also working with local specialist organisations on our approach to inclusive communications and documents and have attended training on this. We have updated our house style guide with our learnings so far and aim to produce a separate guidance document and checklist on inclusive communications.

## **Our role as a commissioner**

### **Data and Evidence**

As part of developing a deeper understanding of the inequalities faced by residents in our region, this year we have created a comprehensive set of policy briefings. The briefings use up to date, regional data which creates a firm evidence base and provides colleagues with a regional profile of inequality, which can be used as part of business casing, impact assessing, and as part of our wider decision-making processes.

We also created a specific set of policy briefings focussing on violence against women and girls, which we shared with colleagues during White Ribbon Day. The briefings were split per policy area, showing how this impacts on those accessing services such as transport, housing, skills and employment. The data has been used as part of equality impact assessments and in business cases.

We have continued to update the NE Evidence Hub with more data and analysis that helps employees understand inequalities across the region and this is used in business casing and evaluation processes, and we are working with ONS Local to uncover more data on the residents that face the greatest barriers to work.

And finally, we have begun to develop a process for collecting, monitoring and evaluating disaggregated data about our project beneficiaries. This involves a detailed data capture schema which asks for details about the personal characteristics of those benefitting from our funded activity and is mandatory for certain projects with people-focussed outputs and targets. There are examples of good work across the organisation where colleagues have started to analyse this disaggregated beneficiary data for use in live and new programmes of work. A working group has been established to embed this way of working.

### **Accessibility electric bus event**

A great example of how the North East Combined Authority is working alongside partners and communities to understand the real-life impact of our initiatives is the 2024 electric bus event. As part of the Levelling Up Fund and the ZEBRA 2 (Zero Emission Bus Regional Areas) programme, the North East secured funding to introduce 95 zero-emission buses across the region.



These new vehicles come with enhanced accessibility features, including space for up to two wheelchair users, clear audio-visual announcements, a hearing loop, and an external noise sensor to alert pedestrians when the bus is moving quietly at low speeds.

To ensure these buses truly meet the needs of those who rely on them, we hosted a dedicated event for accessibility groups and bus users. This gave people the opportunity to explore the buses in a safe, controlled environment and get hands-on experience with the new features. More importantly, it created a platform for open dialogue about the day-to-day challenges many face when using public transport.

Representatives from partner organisations including Nexus, Local Authorities, and bus operators were also on hand to answer technical questions and hear directly from users. The event not only helped us strengthen existing relationships with community groups but also fostered new connections. It was a valuable step in making sure these incoming buses meet the high accessibility standards we've committed to delivering.

## Strategic plans

As a newly formed Combined Authority with a newly elected Mayor, strategic plans were created and approved soon after the transition. Intentional efforts were made to ensure that these plans were aligned with organisational equality objectives and held EDI at their core. As such, opportunities to address inequality have been identified across all work areas and these are reflected in our three-year equality objectives.

We have also spent time ensuring that our new Single Assurance Framework, which outlines the processes and templates we use for designing and delivering projects, includes reducing inequalities and promoting inclusion at all relevant points. Colleagues must now evidence that they have considered inequality at multiple stages of a project, from design right through to delivery, monitoring, and evaluation. Our equality impact assessment process has been reviewed and revised in line with national examples of best practice. We relaunched this process in September 2024 and provided online and face to face training to all employees. We have since seen 15 equality impact assessments completed, including for some very large pieces of work (such as adult skills provision and the city region sustainable transport settlement) with excellent examples of programmes which have been tailored to intentionally focus on those most at risk of exclusion.

We have scheduled an annual review of the impact assessment process, and we have trialled an integrated impact assessment form which encourages employees to consider implications beyond the protected characteristics to include wider socio-economic disadvantages that drive health inequalities.

Feedback about the new Equality Impact Assessment Process has been largely positive with external reviewers calling it robust and well thought out – one colleague commented that:

*‘The (equalities and inclusion) team could not have been more supportive or helpful, working with us to identify data and evidence around the Adult Skills Fund (ASF), to consider all the protected characteristic groups and how the identified priorities for the ASF support the specific groups or where more consideration is required. The team made us consider ASF from a different perspective, offered support and guidance in the process of completing the EIA.’*

## **Funding**

We have started to gather insights into whether our funding opportunities are accessible to organisations working with some of our most underrepresented groups and to establish what the barriers may be. This included project-close meetings with some of our small VCSE delivery partners and also a programme-wide interim evaluation of UKSPF projects. This has identified some highlights and some areas for improvement for smaller providers/delivery partners working with underrepresented groups and we continue to work on this and have made it a fundamental part of our longer-term objectives.

In addition to this, a wide variety of our programmes are specifically designed to provide funding opportunities to organisations working with some of our most underrepresented residents including our UKSPF communities and place programmes. Our Volunteering and Social Action programme invested £1m in creating opportunities for residents from all walks for life to access high quality, meaningful volunteering and training opportunities. Delivery partners VODA are expecting to exceed all project outcomes. They have brokered some brilliant opportunities for local volunteers, charities and community groups including working with older people, homeless people, food banks, hospices and men's groups. They have spent particular time and effort on connecting those residents seeking asylum or refuge in the NE with appropriate opportunities (including some voluntary positions in radio production) and they have helped to develop better connections between village halls and community groups in rural areas, helping to support stronger and more connected communities.

### **Case study – The Mayor's Opportunity Fund**

The Mayor's Opportunity Fund was established by the North East CA in September 2024 to invest £1m into supporting small charities and community groups across the region. Working in partnership with the Community Foundation and Point North ensured that grants were accessible to small unincorporated community groups as well as registered charities. The first round of the fund focussed on supporting 33 organisations delivering activity that supports inclusion, cohesion and resilience in some of our most disadvantaged areas.

One successful project was 'Seaham United', which used a grant of almost £10,000 to breathe new life into Seaham Youth and Community Centre in County Durham.

Along with paying the wages of a youth and community worker, the £9,989 awarded was used to buy a new commercial oven and for the provision of 500 hot meals at 99p for young people and old people using the centre.

“The Mayor’s Opportunity Fund has been an absolute lifeline for us,” said Seaham Youth and Community Centre Coordinator Ethan Lowerson-Marshall.

And finally, we supported Newcastle’s hosting of the 2025 MOBO Awards, Europe’s biggest celebration of black music and culture. The MOBO Fringe Festival provided five days of culture, community and creativity showcasing Black music and talent in the North East. Hosting the Awards and Fringe in our region brought significant benefits to the local economy as well as new opportunities for residents. Our young people developed skills and improved their wellbeing through volunteering and participating in cultural and creative activities. 2,000 pupils took part in MOBO Legacy Workshops exploring anti-racism and social cohesion. A total of 58 cultural activities were hosted with an estimated economic and social impact of £1,315,810.

## **Our role as a convener**

### **Engagement**

As a new Combined Authority, we have worked hard to establish strong relationships with partners across the region who are working towards similar goals, to help them amplify their work and to avoid duplication. This has included the regional women and girl's network, the North East Anti-Racist Coalition, Northern Pride, the North East Regional Employers Organisations, The Access Association NE and many more.

We have also worked closely with the One Million Women and Girls Campaign Group and with Difference North East, and the North East Mayor has signed pledges to improve the lives of women, girls, and disabled people in our region. So far, our progress towards these pledges has been positive and all pledges have been rolled into our three-year objectives and our equality impact assessment process.

With regards to women and girls, our UKSPF Community Partnerships programme, commissioned Salute Her to co-design a programme of work with women and girls. They worked with over 100 female veterans of all ages from late teens to almost 80 years old, who are all survivors of sexual trauma, abuse and or violence. They held four Afternoon Tea sessions with 45 attendees at each one, two sex and intimacy courses for sexual trauma with 19 attendees over the two sessions, cookery courses, menopause matters workshops, lunch groups and meditation groups. Feedback from attendees has been that talking about healing and body confidence and how to put trust in others has been life changing. One attendee commented *"Accessing support, making friends and starting my own business has been a game changer in my life; I am learning the skills I should have learned as a child. There is only one word to describe how I feel at the moment, and that's empowered. Empowered to be me."*

*We are encouraged both by the expressed commitment of senior leadership and individual teams at NECA to embedding gender equality into all areas of the Combined Authority's work, and by the concrete steps already taken. There is, of course, so much more to be done both strategically and operationally - real change requires structural reform, accountability, and measurable impact - we are excited to see what we can achieve together to maximise the potential of women and girls in our region. The One Million Women and Girls campaign team*

With regards to the disability devolution pledges, particular progress has been made in starting to build a transport infrastructure that enables disabled people to safely travel, with disabled residents and partners being a key part of the transport consultation and the bus accessibility event, mentioned earlier in this report.

The Mayor's Local Transport Plan Consultation offers a great example of successful and inclusive engagement with diverse audiences. The consultation prioritised gender representation, young people, rural areas and people with Disabilities as previous consultation and engagement highlighted that these groups had historically been underrepresented and often experienced significant barriers to accessing public transport.

In total, 16,294 survey responses were received and 36 community engagement sessions were held. Of the total responses, the gender split was 41% male and 54% female, we received a response from every postcode district in the region, and 7% of our total responses came from young people aged 25 and under. The team felt strongly that gathering diverse perspectives had provided them with a fuller understanding of the challenges and opportunities within the region, enabling more informed decision-making and they also felt it had strengthened relationships with key partners in the region.

A final example of inclusive engagement in the last year has been around the commissioning of the devolved Adult Skills Fund (ASF), where a large-scale learner survey was conducted. This was an online survey conducted through our online engagement platform which has various accessibility features and helps to ensure diverse audiences can participate. There were 955 respondents, and we intentionally collected disaggregated data to help us better understand our learner demographic. The responses have provided a wealth of information and feedback on current provision including learner needs and support available, ease of access to provision and career pathways. The evidence from the survey has been shared with the current ASF providers and will help develop future provision and delivery models.

### **Case study:**

In 2024 the combined authority funded (through UKSPF) a project called Yalla! through UKSPF.



The project aims to support Jewish business owners in the Gateshead area. The Heradi Orthodox Jewish community in Gateshead is around 4000 people, but no one from this community was accessing support from the North East Growth Hub.

The community faces problems with child poverty, especially as having larger than average families they are really hit hard by the cap on Child Benefit and they have a higher than average reliance on in work benefits due to low pay.

Combined Authority staff attended an awareness session on Orthodox Jewish culture and way of life and decided to be more proactive in engaging with business owners from the Jewish community.

Colleagues working in communications have now also attended the cultural awareness session and have changed imagery and language on the growth hub web pages to make it more culturally acceptable. This work has also paved the way for a mentoring project in the business community.

## **Collaboration**

We are keen to build strong relationships with those around us and to amplify and support the good work already happening in the region.

As part of this we have joined the existing Equalities and Inclusion working group comprising of colleagues from all seven local authorities, plus other key stakeholders such as the integrated care board and the fire service. We organised individual meetings with EDI colleagues at each constituent local authority to collect best practice and understand what their roles were and where they felt we could add value.

We have also been part of the formation of a network of EDI leads from Mayoral Combined Authorities around the country which meets monthly and is becoming an increasingly strong force for EDI best practice in Combined Authority settings.

We are in the process of developing our approach to citizen engagement and we are committed to creating an approach to co-design and collaboration that ensures that the voices of our most marginalised citizens and communities are reflected in our thinking. We have recently set up a Citizen Engagement Network that brings together engagement practitioners from each of the constituent local authorities to map out engagement activity across the region, share best practice, and help inform our strategic approach to citizen engagement.

### **Case study: Using Communities of Practice (CoP) to increase employer encounters and experiences for young people with SEND**

We know that young people with special educational needs and disabilities (SEND) have a huge amount to offer North East employers, but we also know that these young people often face additional barriers that prevent them from making successful transitions into positive destinations, including apprenticeships and employment. We are passionate about the North East being a home of real opportunity and making sure that every individual has the opportunity to access good work. This is why we have placed young people with SEND at the heart of our work through North East Ambition.

As part of this work, last summer, we re-launched and extended the membership of our SEND Community of Practice (CoP), which brings together the career leaders from the region's special schools as well as other key stakeholders, including local authorities, to network, share best practice and work together to further develop the careers programmes

for each of their own schools and colleges, so they are better able to provide a range of meaningful encounters and experiences for their learners. This work helps help young people, and parents/carers, better understand the opportunities available in the region and to prepare for the future. Through a range of 1:1 meetings, as well as regional, online meetings and an annual conference we are able to use this CoP to increase the confidence and knowledge of career leaders, ensure they are aware of the full range of support available for themselves and their learners and co-design and deliver a number of different employer based projects. These activities provide opportunities for young people to develop their understanding of the world of work and career readiness, as well as supporting employers from across the region, of different sizes and from a range of sectors to connect to their local communities, develop their own workforce and encourage a more diverse and inclusive talent pipeline. Examples of employers engaging in this work include Alnwick Gardens, Beamish Museum and NHBC Construction Hub. One Headteacher of a school involved commented that the experience had “really impacted” his learners “and he had never seen the class so enthusiastic and felt that there was a marked change in them”. From an employer’s perspective, one commented, “It has been a real privilege to play a vital role in delivering these experiences of the workplace. Our staff have flourished in the lead roles they have taken in designing and implementing the experiences and we are proud of to have been a part of this exciting and impactful project”.

## **Looking to the future**

### **Our three-year Equality Objectives - 2025-2028**

We're excited to launch our ambitious three-year objectives, informed by the findings of this year's transitional objectives, regional data and co-designed with key stakeholders to build on the progress made during our first year. These objectives will drive our efforts to create a more inclusive, fair, and forward-thinking North East, one where opportunity is open to all and where we can all take pride in calling it home.

Our equality objectives have been designed to reflect the different roles we play as:

- Employer
- Commissioner
- Convener

The objectives, laid out in this document alongside key actions and indicators of progress, demonstrate our commitment to supporting strong and connected communities that help to reduce inequalities and improve wellbeing for all.

A detailed action plan will sit behind these objectives and will be reviewed on an annual basis.

## **2025-2028 Equality Objectives**

### **Role: Employer**

#### **Objective**

We will build a diverse workplace where all individuals feel valued, respected and empowered to reach their full potential, regardless of background, identity, or personal circumstances – striving to make everyone feel they belong.

#### **Key Actions**

- Diversify recruitment practices to attract candidates from underrepresented groups and ensure an inclusive assessment and recruitment process
- Provide equal opportunities for career growth through training, professional development, and leadership programs
- Develop inclusive leadership competencies and ensure leaders are equipped to manage diverse teams effectively
- Regularly review performance processes to eliminate bias and ensure fairness in evaluations.

#### **Evidence we will collect to track our progress**

- Employee diversity metrics
- Pay equity reviews (publishing pay gap information where required by the Public Sector Equality Duty)
- Colleague survey engagement scores
- Details of training and development undertaken by employees.

## **Role: Commissioner**

### **Objective**

We will invest in services that are accessible and responsive to the needs of all communities and businesses, removing barriers to success and driving economic growth that delivers for all our residents.

### **Key actions**

- Continue to complete equality impact assessments to ensure that all commissioned activity is designed to remove barriers to opportunity
- Further develop our approach to the collection and analysis of disaggregated data to ensure that all commissioned activity reaches under-represented communities and businesses
- Review our commissioning process to make sure it works for the small businesses, entrepreneurs and community organisations that keep our local economy going
- Develop an approach to incorporating considerations of health in our policies, to ensure commissioned activity contributes to addressing regional health inequalities; increasing healthy life expectancy and addressing health-related economic inactivity
- Maximise the impact of social value in procurement to produce the greatest social, economic and environmental returns for our communities and neighbourhoods.

### **Evidence we will collect to track our progress**

- Completed equality impact assessments
- Analysis of beneficiary data
- Case studies of targeted commissioned activity to address disparities



- Analysis of percentage of commissioned activity secured by SMEs and VCSE sector
- Evidence of social value delivered by procured suppliers

## **Role: Convener**

### **Objective**

We will play a strong leadership role in convening partners around regional priorities, building an inclusive and diverse coalition to understand and meet the needs and ambitions of the communities and businesses we serve.

### **Key actions**

- Continue to lead the Child Poverty Reduction Unit, taking a strategic, long-term and collaborative approach to tackling the long-term structural drivers and outcomes of this issue for our region
- Build a strong and equitable relationship with our local VCSE sector to ensure we can most effectively draw on their expertise and reach into under-served communities and neighbourhoods
- Encourage and support the region's business sectors to increase the diversity of their employees, so that they mirror those of the working age population, across all characteristics
- Work alongside residents as key partners, giving the people of the North East a real say over their future and devolving power down to our communities
- Ensure that the way we communicate with all partners and stakeholders is accessible and inclusive.

### **Evidence we will collect to track our progress**

- Evidence of working with the VCSE sector to increase our reach into priority communities and neighbourhoods
- Case studies of employers accessing support to open up more good jobs, higher levels of employment, and rising take home pay

- Evidence of engagement and co-designing our work with residents representing underserved communities and neighbourhoods.

**Title:**           **The regional approach to fulfil ambitions for the North East Visitor Economy**

**Report of:**   **Phil Witcherley, Director of Economic Growth and Regeneration**

### **Purpose**

The North East Mayor is committed to making tourism and the visitor economy a core part of the region's growth plans, creating new jobs and opportunities for local people and helping businesses across the region grow. The Combined Authority's interim Local Growth Plan sets out the ambition to double the size of the North East's visitor economy over the next ten years.

The North East boasts world-class visitor attractions and a diverse tourism offer, including two World Heritage Sites, unspoilt natural beauty, stunning beaches and coastlines, vibrant city centres, historic towns and a compelling gastronomic, cultural and sporting offer.

Local authorities market and support their own areas, in some cases through Local Visitor Economy Partnerships (LVEPs), undertaking destination development and management, sector convening and business support. There is, however, no single company or agency which currently has a role to promote and support the whole offer for the region, providing the scale and impact to compete in a national and global market and so grow the visitor economy as the Local growth Plan sets out.

Cabinet agreed in March 2025 that the North East CA should develop proposals, in collaboration with industry and partners, to build on existing structures including the current Destination Development Partnership (DDP) pilot, Destination North East England, which has been managed by Newcastle and Gateshead Initiative (NGI) Ltd since 2022. The focus should be to embed a strategic regional tourism function and shape and enable the delivery of a ten-year strategy for the visitor economy.

Since March, the North East CA has consulted on our vision for the visitor economy with more than 300 stakeholders in the sector on the best ways to support and add value to the work of local authorities at a regional level. This report sets out the results of this engagement and proposed next steps, including the financial, and operational implications for the CA and partners. Its focus is on the following functions:

- National and international marketing to grow the region's visitor economy.
- Strategic place marketing.
- Co-ordinated regional delivery supporting the conventions market internally and working with the tourist and investment trade community externally.
- National engagement and sector advocacy and partnerships, including partnerships with other parts of the North of England.
- Skills development for tourism and hospitality and increasing opportunities for local people.

Across all of these activities, it is proposed that a redesigned and reconfigured Newcastle Gateshead Initiative Ltd (NGI) will deliver for the whole of the North East CA area, while also allowing for specific and more focused activity where this may be agreed and funded by an SLA through a council or industry sector partner.

The proposal is that:

- North East CA replaces Newcastle City Council and Gateshead Council as a member of NGI to oversee its transformation to a fit-for-purpose, redefined and renamed organisation that delivers the regional ambitions set out at March Cabinet and in the Interim Local Growth Plan.
- £1.55m funding is provided from the North East CA Investment Fund to support (a) the operating costs of NGI as a re-purposed organisation for the remainder of FY 2025/26, and (b) capacity for external independent expertise to carry out an organisational review and develop a transition plan, including establishing a long-term approach to governance and a corporate identity that accurately reflects a regional remit. This will ensure the new organisation is financially sustainable, delivers value for money, achieves efficiencies, and carries the confidence of all public and private sector partners.
- North East CA funding is focused on the transition of the organisation to become a regional visitor economy body; any local activity undertaken by the company will be funded separately via SLAs for the relevant local authorities/areas where there is agreement in place to do so.
- A further report will be brought to Cabinet later in 2025 to outline a proposed long-term budget for the new company that builds on and secures the in-principle commitments set out in this report.

Cabinet is asked to endorse this direction of travel and approve this approach to allow for the new regional role of the company to be implemented from July 2025.

## **Report Summary**

In March 2025, Cabinet requested that proposals be developed, in collaboration with regional partners, to set out how the growth potential of the visitor economy can be unlocked in all parts of the region by building on the existing DDP pilot (Destination North East England) and by strengthening the regional infrastructure and capacity needed to accelerate progress.

The March Cabinet paper set out the high-level principles underpinning the new regional approach, identifying the potential scope and functions required, and next steps for stakeholder engagement and input. A significant level of engagement has been undertaken since the Cabinet in March, comprising meetings, workshops and webinars respectively with more than 300 industry partners, LVEPS, and Local Authority partners. The outcome of this engagement and feedback has directly shaped the proposals and approach in this report. It is anticipated that engagement will continue as the new regional approach establishes itself.

The report covers the following elements:

- the regional context and the opportunity to grow and develop the regional visitor economy;
- the objectives for a strategic regional tourism function that will be delivered by a revised and re-designed NGI Ltd accountable to the Mayor;
- the core functions that will be delivered to achieve the agreed strategic objectives from inception and start in the summer 2025;
- a proposed approach to organisational development in year 1 (FY2025/26) to ensure the company is 'fit-for-purpose', provides value for money, and is structured to deliver with the confidence of all partners now, with the potential to take on additional functions in future years;

- a commitment, following organisational development, to finalise and agree a multi-year programme of activity to target the ambitions outlined in the Local Growth Plan;
- the associated costs, timeframe and investment required for the above.

This approach is consistent with the CA's Corporate Plan, which commits to strengthening our regional identity and progressing a North East identity that enables the realisation of the potential of our remarkable creative, cultural, heritage, sporting and visitor economy assets. The new regional approach will directly contribute to Mayoral commitments and the CA's missions and the Interim Local Growth Plan.

## **Recommendations**

Cabinet is recommended to:

1. Note the content of this report and agree the proposed approach.
2. Agree that the North East CA shall become a member of a repurposed NGI Ltd in place of the existing local authority members.
3. Agree to provide NGI Ltd with £1.55m of funding from the North East CA Investment Fund to support the transition to a new regional body, based on a redesigned NGI, delivering regional visitor economy activity on the basis set out in this report and authorise the Chief Executive, in consultation with the Mayor, to finalise the terms on which this grant funding is to be provided.
4. Receive a further report later this year regarding the outcome of the organisational development work described in this report, proposed next steps and implications for further future investment.

## **A. Context**

### **1. Background and policy context**

- 1.1 The mayor's manifesto, North East devolution deals and interim Local Growth Plan prioritise growing the visitor economy and recognise the benefits that a thriving culture and events scene provides in terms of regional profile and jobs growth.
- 1.2 In 2022 the region was chosen to deliver the first regional tourism Destination Development Partnership Pilot, receiving £2.25m from the Department for Culture, Media and Sport (DCMS) to attract more visitors, create new visitor experiences and target new domestic and international visitor markets. The DDP, in addition to creating a pilot that disseminates best practice and learning and creating a co-ordinating framework for the regional visitor economy, also sets a regional 10-year ambition of doubling the size of the visitor economy and growing its cumulative economic impact to over £10bn.
- 1.3 The DDP provides regional coordination and strategic planning on regional issues such as availability of accommodation and the environmental sustainability of the sector. This arrangement has to date supported regional working at a deeper level in order to realise the sustainable economic and social benefits of the visitor economy across Newcastle, Gateshead, Northumberland, North Tyneside, South Tyneside, Durham, and Sunderland.
- 1.4 In March 2025, Cabinet requested that proposals are developed, in collaboration with partners, that set out how the region can deliver on the growth potential of the regional visitor economy by building on the existing Destination Development Partnership (DDP)



pilot (Destination North East England) and in doing so build the regional delivery capacity needed to accelerate growth and collaboration, drawing on the region's wider assets and infrastructure that contribute to and support the region's visitor economy.

- 1.5 The Interim Local Growth Plan therefore sets out the scale of the visitor economy and its contribution regionally, and the assets and infrastructure that help to underpin this. Specific opportunities are identified to help capitalise on these assets and generate significant sustainable growth, including:
- changing international perceptions of regional peripherality;
  - creating a more integrated and mixed visitor package and offer including sustainable 'products';
  - improving pathways into employment and skills development
  - developing flagship attractions, venues and assets, including an International Conference Centre and a Centre for Excellence in Tourism and Hospitality; and,
  - strengthening event infrastructure, utilise technology and increase expertise to attract and host further world-class events;
  - significantly increasing the number of international visitors (both leisure and business) and the duration – and therefore spend – of their visits.

In responding to these opportunities we will support our mission to become 'a home to a growing and vibrant economy for all' and 'a welcoming home to global trade'.

- 1.6 Embedding and deepening these regional activities will enhance business competitiveness, workforce skills, and sector resilience across the North East's visitor economy. This will work in tandem with the activities delivered by Local Authorities and industry partners at a local level, including destination development and management, sector convening and business support. Additionally, this will sit alongside the development of a regional events strategy, the Region of Sport programme and creative industries growth plans, in particular screen and music, all key pillars to the overall regional approach. Through deeper partnership development and a focus on key functions, this will stimulate economic growth by supporting SMEs to improve productivity, facilitating job creation, and strengthening supply chains across hospitality, cultural, and creative industries. Alongside this, by leading national and international marketing campaigns, cultivating strategic relationships with global travel trade partners, and presenting a unified, compelling brand narrative for the region, a new regional approach will raise the North East's international profile, attract greater volumes of international visitors, and position the region as a globally recognised, competitive visitor destination.

### **The value and potential of the North East Visitor Economy**

- 1.7 The North East's distinctive visitor economy offer spans over 500km of coastline, two UNESCO World Heritage Sites, Northumberland National Park, historic castles and cathedrals, leading football teams, an international cricket ground, and diverse and distinctive cultural and heritage venues. The region also boasts key infrastructure to support the sector including Newcastle International Airport, which generates over £1bn in economic impact annually, the Port of Tyne ferries, and critical linkages via rail and road. The visitor economy is a significant source of employment in the North East, supporting 91,000 jobs across 7,205 businesses, 99% of which are SMEs. The tourism sector contributes £6.1 billion to the regional economy.

- 1.8 In addition to being a major source of employment and economic value, the visitor economy sector directly supports the North East's pride in place by showcasing the region's cultural identity, heritage, and natural assets to residents and visitors alike. It plays a central role in shaping perceptions of the region, fostering community cohesion, and enhancing quality of life. Investment in the visitor economy also acts as a catalyst for wider regeneration and place-making, attracting inward investment, stimulating local supply chains, and encouraging innovation across creative, leisure, and service industries.

## **2. Core Functions for a regional approach to the visitor economy**

- 2.1 In March Cabinet approved the principles below which have guided the development of these proposals for new regional capacity and organisation:
- Value and capacity should be added to local delivery, with the main focus being on enabling regional opportunities for impact at scale.
  - Strategic and operational accountability will be to the Mayor and Cabinet
  - There should be a clear leadership role for local stakeholders and wider industry, including private investment and amplification of the role of the private sector.
  - Focus should be on the delivery of amplified and aggregated regional benefit.
- 2.2 The existing NGI's activities will be evolved to focus on increasing demand for the visitor economy whilst addressing constraints and improving the labour market for the sector. Core functions will include delivering a fully integrated Regional Destination Development Partnership operating effectively as a 'hub and spoke' model bringing together local and regional endeavours, with the strategic capacity to lead national and international marketing campaigns, shape sector-wide strategies for attractions, accommodation and environmental sustainability underpinned by high quality data and evidence, and represent the North East in national partnerships, policy forums and advocacy efforts.
- 2.3 NGI Ltd is a company limited by guarantee. Newcastle City Council and Gateshead Council are currently members of the company (which is akin to being a shareholder in a company limited by shares). There are also a number of private sector organisations who are members of NGI Ltd. The management of the company is generally conducted by the board of directors which includes representatives of both councils and also the private sector organisations. As part of the proposals set out in this report, it is intended that the North East CA would become a member of NGI Limited and the 2 councils would cease to be members.
- 2.4 The re-purposed NGI Ltd will assume a core set of immediate 'day 1' functions from its start in summer 2025, with the ability and scope to add additional functions over time based on the need and the capability to deliver.
- 2.5 The functions the re-purposed NGI will undertake as the new 'Regional body' at its start are set out in the table below. Regional funding will therefore not be provided to support any non-regional activity undertaken by the 'Regional body'. Local activity will instead be funded via SLAs with the relevant local authorities/areas where it is appropriate and where there is agreement in place to do so. A clear set of key performance indicators will be aligned to the core functions, with appropriate capacity and resource allocated to deliver against them.

- 2.6 The table below identified the core functions for the regional body with examples of how this will operate with local activities, and as referred to above, to deliver a fully integrated Regional Destination Development Partnership operating as a 'hub and spoke' model that brings together local and regional endeavour.

Function 1: National and international marketing activity	<p><b>Regional body:</b> Enhanced/extended marketing team manages key markets, plans and delivers long term activity and bespoke campaigns, e.g screen tourism, Nordic campaign in partnership with transport operators</p> <p><b>Local Activity:</b> campaign development partner; provides local intelligence, amplifies information dissemination; provides training and support for local business</p>
Function 2: Strategic Place Marketing	<p><b>Regional Body:</b> enhanced/extended marketing team commissions perceptions research &amp; brand mapping, develops regional narrative and brand propositions that utilise and amplify local brands and assets, deploys bespoke campaigns/collateral at regional-level national and international events, e.g. UKREiiF</p> <p><b>Local Activity:</b> jointly develops regional brand propositions, manages local brands, works in partnership with the regional body at regional-level national and international events including with local content and contributors.</p>
Function 3: Convention Bureau and Meetings, Incentives, Conferences and Exhibitions (MICE) strategy	<p><b>Regional Body:</b> Reshaped team delivers convention Bureau for whole region including existing local platforms such as Meet in Durham; develops a holistic Meetings, Incentives, Conferences, and Exhibitions (MICE) strategy, manages institutional relationships</p> <p><b>Local Activity:</b> develops offer in partnership, local liaison, training and business support</p>
Function 4: National sector advocacy, partnerships and policy development;	<p><b>Regional Body:</b> Holds relationships with national and international governments and agencies, co-ordinates agreed national advocacy, convenes and co-ordinates new pathfinder or policy initiatives</p> <p><b>Local Activity:</b> Local intelligence and knowledge development, driven by local sector convening, jointly agrees advocacy and policy initiatives, and contributes content.</p>
Function 5: Regional Skills and Centre for Excellence in Tourism & Hospitality	<p><b>Regional Body:</b> Co-ordinates strategy, connectivity with regional skills strategy, leads on major projects (e.g centre of excellence)</p> <p><b>Local Activity:</b> holds delivery relationships with providers, co-ordinates and provides local intelligence, local employer liaison.</p>

- 2.7 To ensure that the repurposed organisation has the capability and capacity to deliver the above functions, there is recognition of the need to ensure 1) the organisation is structured correctly for the longer term and 2) that a period of time in FY2025/26 is provided to enable an effective transition for this purpose. It is therefore proposed that, in addition to funding being provided to support the above regional functions, additional investment is provided to enable capacity for external independent expertise to carry out an organisational review and development. This is to ensure there is an effective transition to perform the regional functions, including establishing a long-term approach to governance. This will ensure the new organisation is financially sustainable,

demonstrates and delivers value for money, and carries the confidence of all public and private sector partners.

- 2.8 Following a period of stabilisation and redesign of the current organisation to fulfil the 'day 1' functions above, and following the organisational development review, the organisation should be assessed for a further process of mobilisation of new functions, as follows:

Function 6: Major Events Bureau	<p><b>Regional body:</b> new team Co-ordinates bidding for major events, investment partner for regional events, manages &amp; co-ordinates event evaluation including social value, builds long term relationships with rights holders, co-ordinates and attracts investment for longer term infrastructure growth including skills, clash diary/scheduling overview, co-ordinates marketing</p> <p><b>Local Activity:</b> Event management and delivery, event-specific promotion, ensuring strategic fit with local place priorities, relationship management with funders, artists/practitioners, venues and local infrastructure.</p>
Function 7: Experience Infrastructure (sectoral, visitor attraction, accommodation, environmental sustainability)	<p><b>Regional body:</b> Co-ordinates research, strategy, gap analysis and long-term priority pipeline; attracts investment,</p> <p><b>Local Activity:</b> destination management, manages development pipeline, holds relationship with development partners, ensures strategic fit with wider regeneration, place-making and sustainability strategies</p>

- 2.9 In establishing each or any new function, or the expansion of any existing functions, a case will be made for the associated investment and the return on that investment.

### 3. Consultation and engagement

- 3.1 In developing the proposals set out in this paper engagement has been undertaken with the following groups and organisations: LA7 Chief Executives; LA7 Economic Directors; Newcastle Gateshead Initiative Ltd Board and Senior Leadership Team; Local Visitor Economy Partnership (LVEP) boards and visitor economy businesses in those areas, visitor economy businesses and stakeholders in local authorities not currently covered by an LVEP, Visit England, and the Department for Culture, Creative, Tourism and Sport.
- 3.2 Key comments arising from the consultation include the following:

- there is support for a 'hub-and-spoke' regional partnership model, with recognition of the need to respect and work with local distinctiveness;
- the new Regional body should integrate with wider growth and regenerative priorities, requiring a clear approach in respect of roles across partners;
- strong support for regional coordination in key 'value-added' areas as represented within the core functions set out above;
- strong endorsement of the need to build a strong and inclusive regional identity building on and working with established local brands;

- the new body should be demonstrably new and regional in its governance and organisational design.
- 3.3 There is broad consensus on forming a regional tourism body “as an opportunity to transform and enhance the visitor economy across our wider area, strengthen coordination, elevate the region’s brand, and build on our collective competitiveness in domestic and international markets.” There was also clear and consistent messaging on the need for “strong collaboration between public and private stakeholders”, with clear approaches set out in terms of governance and structure, including effective methods of engagement and inclusive participation.
- 3.4 Highlighting a phased approach over the longer term, there was also recognition of the need to set out clear functions, activities and key performance indicators, with the new Regional body positioned to respond to “global uncertainties, including economic fluctuations, climate change, and shifting visitor expectations”, requiring strategic responses if the region is to “remain adaptable and resilient”.

#### **4. Current status of NGI Ltd**

- 4.1 The existing DDP, operating as a partnership of LVEPS and Loca Authorities, is operated by NGI Ltd, a company limited by guarantee. Newcastle City Council and Gateshead Council are currently members of the company (which is akin to being a shareholder in a company limited by shares). There are also a number of private sector organisations who are members of NGI Ltd. The management of the company is generally conducted by the board of directors which includes representatives of both councils (as well as the Chief executive of the North East CA) and also the private sector organisations.

#### **5. Implementing the transition**

- 5.1 As set out above, the intention is that NGI Ltd is repurposed to carry out a wider regional remit than it currently does. In order to ensure that NGI Ltd is capable of taking on this wider role, it is recognised that NGI Ltd will require funding to stabilise its existing activities and provide capacity to implement the required changes. It is therefore proposed that the North East CA provide £1.55m of funding for FY 2025/26. The breakdown of this funding is set out in the financial implications section of this report. It includes £250,000 to fund external consultancy work to develop an operating model appropriate for the efficient and effective delivery of functions, and a transition plan to move to that model. This will also identify longer term investment requirements, income generation, and expenditure. It will also consider whether any changes to the existing constitutional arrangements of NGI Ltd would be appropriate and the implications of NGI Ltd taking on the wider role.
- 5.2 Whilst it is proposed that the North East CA becomes a member of NGI Ltd (and replace the existing local authority members, ie Newcastle City Council and Gateshead Council), it is not intended to make any changes at the present stage to NGI’s existing governance arrangements. However, the funding agreement between the North East CA and NGI Ltd will set out the outputs which the North East CA expects to achieve in return for the funding support it is providing. Any future funding for NGI Ltd beyond that set out in this report will be dependent on the North East CA being satisfied as to the proposed

operating model for the repurposed NGI Ltd and the future financial ask of the North East CA.

## **B. Impact on North East Combined Authority Objectives**

1. This proposal directly addresses the strategic priorities of the Combined Authority as outlined in the North East Deeper Devolution Deal, the Local Growth Plan and the Mayoral Manifesto.
2. The Deeper Devolution Deal explicitly highlights the region's ambition to develop the cultural, creative, tourism, heritage and sport sectors on a regional basis. Establishing a Regional Destination Development Partnership and Marketing Agency would operationalise this commitment by providing a strategic, coordinated approach to sector development across the North East. It would strengthen the coherence of the regional offer, enhance national and international visibility, and improve the ability of the sector to attract visitors, investment, and talent, delivering on the aspirations set out in the Deal.
3. Building on this foundation, the interim Local Growth Plan, conceives of the visitor economy as central to the mission to develop 'a North East we are proud to call home'. This mission seeks to create an inclusive and thriving region by removing barriers to opportunity, enhance quality of life, and strengthening local pride. The establishment of the Regional body will support this mission by significantly increasing the volume of workforce and business support delivered in partnership with local partners, and by stimulating visitor demand through the cultivation of a compelling and cohesive brand narrative for the North East. In doing so, it will help realise the full potential of the visitor economy to change international perceptions of the region, strengthen sustainable and networked infrastructure, deepening civic pride and reinforcing the North East's reputation as a vibrant and welcoming place to live, work and visit.

## **C. Key risks**

1. High-level risks comprise:
  - Financial: Delay in funding approval impacting on deliverability and commencement of activities in the timeframe proposed.
  - Financial: Lack of investment impacting on quality of delivery and impact delivered from across core functions, impacted by inability to secure match funding from public and private sources.
  - Legal: Inability to configure and implement a clear governance approach to support the ambitions and functions set out for the redesigned Regional body.
  - Operational: Loss of staff expertise and/or failure to recruit to key positions and functions.
  - Operational: Reduced or insufficient coordination between activities and functions at local and regional levels.
  - Operational: Mission-creep resulting in too many functions or activities being undertaken impacting on strategic objectives and related KPIs.
  - Reputational: Inadequate or poorly executed communications and advocacy impacting engagement and confidence from partners.

## D. Financial and other resources implications

1. The financial profile for establishing and implementing the proposed approach through to 31 March 2026 is as follows:

	To March 2026 (£)
<b>Income</b>	
Partnership Fees	259,272
Destination Development Partnership (DCMS)	421,188
MIPIM	182,000
North East CA	1,555,751
<b>Total</b>	<b>2,418,211</b>
<b>Expenditure</b>	
Staff Costs	1,136,156
Overheads	153,063
Programme/Activity Costs	878,992
Strategic Transition and Organisation redesign costs	250,000
<b>Total</b>	<b>2,418,211</b>

2. The strategic transition, comprising an organisational review and development of communication and marketing assets, will be undertaken in the current year, with a budget of £250,000 to procure an external expert to undertake work to design an operating model that supports the agreed strategy and objectives of the organisation, associated organisation design appropriate for the efficient and effective delivery of functions, and a transition plan to move to that model, in addition to support updated marketing and communications to reflect the redesigned regional body. This will also clarify longer term investment requirements, income generation, and expenditure.

	FY25/26	Total (£)
NECA Investment Fund	1,555,751	<b>1,555,751</b>
Additional Income	862,460	<b>862,460</b>
Total	2,418,211	<b>2,418,211</b>

3. Investment and funding requirements from the North East CA for future financial years will be provided in a subsequent Cabinet report in 2025, building on the above investment for the current financial year.

## E. Legal implications

1. The comments of the monitoring officer have been included in this report.

## F. Equalities Implications

1. The North East CA follows the Public Sector Equality duty and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010.
2. The approach outlined provides the opportunity to build on the successful launch in September 2024 of the Regenerative Visitor Economy Framework, which sets out a shared understanding for regenerative tourism in North East England to drive



sustainable and inclusive economic growth, including generating social benefits and driving value for local people and places as well as incoming visitors to the region.

**G. Appendices**

None.

**H. Background papers**

[March 2025 Cabinet paper](#) – ‘Delivering our Ambition for the Regional Visitor Economy’, pages 534-539

**I. Contact officer(s)**

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**J. Glossary**

DCMS	Department for Culture, Media and Sport
DDP	Destination Development Partnership
LVEP	Local Visitor Economy Partnership
NGI	NewcastleGateshead Initiative

**Title:** Delivering the Mayor's Local Transport Plan  
**Report of:** Tobyn Hughes, Director of Transport

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### Report Summary

This report brings forward £13.92 million of investment from the City Region Sustainable Transport Settlement (CRSTS) Programme to continue the delivery of the Mayor's vision for a safe, integrated and green transport network as outlined in the £800 million Local Transport Plan. The Plan was developed with partners across the region, including a consultation which over 16,000 people engaged with. Its successful delivery depends on strong collaboration, including with local authorities and the private sector.

Cabinet approval will see the following capital projects within the CRSTS Programme move into delivery:

- £3.5 million to improve accessibility, safety, security and passenger information at 195 bus stops across Tyne and Wear and Northumberland. This includes installing new and better shelters at sites across the region, building on work already underway through the Mayor's Bus Service Improvement Plan, through which a programme of upgrades at 444 bus stops in County Durham has already begun. This investment will make catching the bus safer, more accessible and attractive for everyone.
- £6 million to improve the attractiveness and appeal of nine rail and Metro stations between them used by around 6 million passengers every year. This funding through the Connected Stations Programme will make walking, cycling and wheeling to the station safer and more attractive, and make it easier and more comfortable to switch between bus and train. The stations to benefit include the major interchanges at Heworth and Metrocentre in Gateshead, St Peters in Sunderland, the busy South Tyneside Metro stops at Jarrow, Hebburn and Fellgate, Palmersville in North Tyneside and stations along the new Northumberland Line.
- £4.42 million to install up to 166 new Electric Vehicle Chargers, including 72 rapid chargers. This funding will fill gaps in the public charging network including in rural areas underserved by the private sector, at key destinations including tourist hotspots, and upgrade existing sites to improve user experience, as part of the ongoing programme outlined by the Mayor to deliver the best electric vehicle charging network in the country.

This report also seeks approval for five early studies to develop the Mayor's £800 million programme of transport investment. Allocating City Region Sustainable Transport Settlement capacity funding totalling £600k and undertaking procurement activity to prepare for the second round of the City Region Sustainable Transport Settlement (CRSTS2), by commencing:

- A £140k study building on the delivery of the Mayor's Bus Service Improvement Plan, focusing on building an evidence-based case, identifying priorities for investment in further bus priority infrastructure through CRSTS2, tackling key challenges at junctions and ensuring the region has an effective platform for successful bus reform.
- A £130k study identifying gaps in the active travel network, focused on joining-up existing infrastructure including cross boundary routes, producing a prioritised list of investments for CRSTS2 to deliver a connected active travel network in line with the Mayor's ambition. Additionally, this work will also consider priority investments in the vicinity of schools including safer routes to schools, linking existing infrastructure and opportunities to better connect schools including enhanced crossings to improve accessibility and safety of our region's young people.
- A £120k Bike Hire Feasibility study, which will consider delivery options, risks and mitigations, benchmarking of existing schemes, bring together Local Authority input and deliver a report

outlining a range of costed options in line with Mayor's desire to explore a consistent bike and E-bike hire offer across the region.

- A £100k study benchmarking regional capital infrastructure, to assist our Local Authorities, in Business Case work and in appraisal and assurance, identifying broad costs for delivery of infrastructure based on past regional delivery within the North East, to ensure the Mayor's programme of transport delivery continues to secure Value for Money.
- A £110k independent assessment of Local Authority sponsored CRSTS2 candidate schemes, as a means of identifying a prospective programme and as a basis for allocating development funding within the region's CRSTS capacity funding to Local Authorities, to expedite delivery and ensure the region's CRSTS2 programme is well placed to commence capital delivery immediately following receipt of funding.

## **Recommendations**

Cabinet is recommended to:

1. Approve the capital investments, as outlined in section 1.3 and set out below:
  - a. £3.5 million of CRSTS capital funding for the Bus Stop Improvement Programme, with onward approvals of proposals to be managed through Finance and Investment Board, in line with the Single Assurance Framework.
  - b. £6 million of CRSTS capital funding for the Connected Stations Programme, with onward approvals of proposals to be managed through Finance and Investment Board, in line with the Single Assurance Framework.
  - c. £4.42 million of capital funding for the Electric Vehicle Infrastructure Programme, with onward approvals of proposals to be managed through Finance and Investment Board, in line with the Single Assurance Framework.
2. Approve the revenue investments, as outlined in section 1.4 and set out below and authorise the Director of Transport to undertake associated procurement activity in accordance with the Authority's Commissioning and Procurement rules:
  - a. £140k of CRSTS capacity funding for the procurement of a study which identifies bus priority infrastructure priorities for investment.
  - b. £130k of CRSTS capacity funding for the procurement of a study which identifies gaps in the active travel network and identifies priorities for investment.
  - c. £120k of CRSTS capacity funding for the procurement of a bike hire feasibility study.
  - d. £100k of CRSTS capacity funding for the procurement of a study which benchmarks the costs of delivering regional capital infrastructure.
  - e. £110k of CRSTS capacity funding to procure an independent assessment of transport schemes proposed to come forward through the CRSTS2 programme.

## **A Context**

### **1.1. Background**

- 1.1.1. The City Region Sustainable Transport Settlement (CRSTS) was established by government to provide consolidated, long-term capital funding for public and sustainable transport infrastructure. Specifically, CRSTS is intended to leverage investment in integrated and cross-modal sustainable transport, for example, bus, rail, cycling and walking.
- 1.1.2. CRSTS is a key component in the delivery of the Mayor's Local Transport Plan (LTP), with the region's CRSTS programme a major contributor towards the delivery of the LTP's associated Delivery Plan which outlines the Mayoral transport priorities and projects that will transform transport in the region. The first round of CRSTS funds the majority of the capital elements of the LTP delivery plan up to 2027.

- 1.1.3. The CRSTS programme of investment was agreed by the Mayor and Cabinet at the North East CA Cabinet meeting on 30 July 2024, with the Mayor and Cabinet approving a programme of investment totalling £181m in value inclusive of overprogramming. This was then subsequently submitted to and agreed with government, with funding formally awarded to the region for the delivery of the North East CRSTS programme in January 2025.
- 1.1.4. In March 2025, the Mayor and Cabinet accepted both CRSTS grant funding from the Department of Transport (DfT) along with the associated conditions of funding. At the same meeting the Mayor and Cabinet went on to approve the first investments within the CRSTS programme, including £8.18 million to assist the re-location and construction of a new ferry landing at the North Shields Fish Quay and a £106.4 million Active Travel Programme of 22 capital schemes delivering over 90km of improved infrastructure. These investments form part of a first phase of an £800m investment the Mayor will make across the region's transport network over the next three years. This report builds on those investments with a further £13.9m of investment ready for approval.

## **1.2. Uplifted City Region Sustainable Transport Settlement (Durham)**

- 1.2.1. In addition to the CRSTS grant agreed by government and approved by the Mayor and Cabinet as outlined above, the DfT have confirmed that the North East CA will receive a further £23 million of capital funding, ring-fenced for propositions in County Durham. This funding provides equitable transport investment for County Durham, in line with the wider CRSTS programme acknowledging the circumstances when the North East Devolution Deal was struck in December 2022.
- 1.2.2. Funding for Durham will be unlocked with the production of a delivery plan to be agreed with the DfT, approval will enable the regional programme to grow to accommodate Durham's propositions for delivery in line with CRSTS timescales over the period 2025/26 and 2026/27. Proposals are required to accord with existing CRSTS grant criteria, inclusive of existing conditions of funding, and will further assist in the delivery of the Mayor's LTP. A programme of schemes proposed to be delivered by County Durham supported through uplifted CRSTS funding is anticipated to go through local approval and agreement, subsequently Durham's proposed programme will be brought before Cabinet.

## **1.3. City Region Sustainable Transport Settlement Capital Approvals**

- 1.3.1. Recommendation 1 (a-c) of this report seeks Cabinet approval for three investments utilising CRSTS capital funding totalling £13.92 million, a summary of each of the proposals is provided below.
- 1.3.2. Recommendation 1 a seeks approval of £3.5 million, for the CRSTS funded Bus Stop Improvement Programme, following successful independent appraisal of the programme business case. Onward approval of the schemes included within the Bus Stop Improvement Programme business case will be managed through the Technical Officers Group and the Finance and Investment Board, in line with the Single Assurance Framework and the delegations to the Chief Executive approved by Cabinet in July 2024. In all delivery scenarios the programme presents a Benefit Cost Ratio (BCR) over 3, representing high value for money.
- 1.3.3. This programme of investment builds on the recently approved Bus Service Improvement Plan (BSIP) funded Bus Stop Improvement Programme, and the delivery of a range of measures at 444 bus stops within County Durham.
- 1.3.4. The Programme will see a range of improvements at 195 bus stops across Tyne and Wear and Northumberland, including accessibility, safety, security and passenger information upgrades. Investment in the programme will see, where feasible:
- Provision of new shelters and upgrades to existing shelters
  - Improvements on safety and security including structural safety, CCTV and lighting
  - Enhanced information and bus timetable provision including static and real-time information
  - Improved accessibility through widening pavements, installing dropped curbs and the removal of obstructions to entry/exit

- 1.3.5. Recommendation 1 b seeks approval of £6 million of CRSTS capital funding for the Connected Stations Programme, following successful independent appraisal of the programme business case. Onward approval of the schemes included within the Connected Stations Programme business case will be managed through the Technical Officers Group and the Finance and Investment Board, in line with the Single Assurance Framework and the abovementioned delegations to the Chief Executive. The programme presents a Benefit Cost Ratio (BCR) of 2.86, representing high value for money.
- 1.3.6. The Programme will see a range of improvements delivered that focus on providing enhanced connections between different transport types at stations improving their integration, safety, accessibility and appeal. Investment in the programme will see, where feasible:
- Active Travel route improvements and links within the proximity of the station (up to 3km)
  - Information improvements including at the station signage and wayfinding on routes
  - Enhanced Crossings and public realm improvements improving quality of place
  - Security improvements including providing enhanced station visibility, CCTV and lighting
  - Safe and Secure cycle parking
  - Removing access constraints and improving accessibility such as provision of dropped curb crossings and pedestrian ramps at stations
- 1.3.7. The stations included within the programme, along with the scheme promoting Local Authority are provided in the table below:

Local Authority Area	Station
Gateshead Council	Heworth Interchange
Gateshead Council	Metrocentre Rail Station
Newcastle City Council	Manors Rail Station
North Tyneside Council	Palmerston Metro Station
Northumberland County Council	Northumberland Line Stations (Bebside, Seaton Delaval and Newsham)
South Tyneside Council	Jarrow Metro Station
South Tyneside Council	Fellgate Metro Station
South Tyneside Council	Hebburn Metro Station
Sunderland City Council	St Peter's Metro Station

- 1.3.8. Recommendation 1 c seeks approval of £4.42 million of CRSTS capital funding for the Electric Vehicle Infrastructure Programme, following successful independent appraisal of the programme business case. Onward approval of the schemes included within the Electric Vehicle Infrastructure business case will be managed through the Technical Officers Group and the Finance and Investment Board, in line with the Single Assurance Framework and the abovementioned delegations to the Chief Executive. The programme presents a Benefit Cost Ratio (BCR) of 3.96, representing high value for money.
- 1.3.9. This programme will see the delivery of up to 166 Electric Vehicle Chargers, including 72 rapid chargers at 58 sites across Tyne and Wear and Northumberland. The programme has been developed considering existing and planned provision and the needs of Local Authorities in light of the existing delivery taking place through the region's Levelling up Fund (LUF) and Local Electric Vehicle Infrastructure programmes (LEVI). With the aim of the creation of an equitable charging network including the variety of charging speeds needed for a variety of user charging scenarios. Sites included in the programme to be supported by CRSTS funding fall into three categories:
- **Filling gaps in the public charging network:** Installations in areas currently underserved by existing and proposed charge point locations, including in rural areas and other areas of low demand. These are sites that are currently less commercially viable and are unlikely to be delivered solely by the private sector. However, without targeted investment and proactive public sector interventions, it is anticipated gaps in the public charging network will only grow, leading to a potentially inequitable roll out of charging infrastructure.
  - **Key destination charging sites:** Installations which will help to support future increases in demand for charging. These charge points may be located in council-owned car parks and park

and ride facilities, tourist locations and parcels of currently underdeveloped land to form charging 'hubs' for local residents and visitors. Aiming to ensure that where drivers undertake longer journeys to access a destination or have a long dwell time, access to charging will meet increasing customer expectation.

- **Upgrade existing sites:** Installations which will help facilitate an improved user experience at existing charge points, enhance network capacity ensuring resilience for increased demand at these sites as ZEV uptake grows. However, this makes up a smaller proportion of proposed investment at just 14% of the overall funding allocation.

1.3.10. Overall, the programme is expected to deliver carbon reduction benefits equal to £22 million and GVA benefits for supply chain activity in the order of £14 million.

#### **1.4. City Region Sustainable Transport Settlement Capacity Funding Approvals**

- 1.4.1. Recommendation 2 (a-e) of this report seeks Cabinet approval to allocate £0.6 million of CRSTS capacity funding to support the continued development of the Mayor's programme of transport investment. This funding will enable the procurement of five targeted studies in preparation of the forthcoming second round of CRSTS for the period 2027-2032. These preparatory investments will ensure the region is well-positioned to advance scheme delivery at pace upon receipt of future funding and to continue delivering on the ambitions set out in the Mayor's Transport Plan. Proposals identified within this report aim to ensure the Mayor and Cabinet are well placed to make informed decisions on the prioritisation of CRSTS2 investment.
- 1.4.2. Recommendation 2 a seeks approval of £140k to undertake a study building on the delivery of the Mayor's Bus Service Improvement Plan. This work will identify a prioritised package of bus priority infrastructure interventions for inclusion in the CRSTS2 programme. The study will specifically address key challenges at junctions and network pinch points, supporting the delivery of bus reform and improved service reliability, frequency and journey times.
- 1.4.3. Recommendation 2 b seeks approval of £130k to support a comprehensive assessment of the active travel network, identifying key gaps and opportunities to better connect existing infrastructure and bring forward quality new infrastructure. The study will produce a prioritised investment plan for CRSTS2, focusing particularly on cross-boundary links, opportunities for greater integration and quality of place improvements. It will support the ambition outlined in the LTP for a coherent, connected, and safe active travel network and will consider improvements such as enhanced crossings and improved links to schools, colleges and other education facilities to improve accessibility and safety of our region's young people.
- 1.4.4. Recommendation 2 c seeks approval of £120k to undertake a feasibility study exploring options for delivering a region-wide bike and e-bike hire scheme. The study will benchmark existing schemes, explore delivery models and associated risks, and engage with local authorities to ensure alignment with local needs and opportunities. The output will include a range of costed options to support the Mayor's ambition to provide a consistent and accessible cycle hire offer across the region.
- 1.4.5. Recommendation 2 d seeks approval of £100k to undertake a benchmarking study on regional capital infrastructure costs. This work will provide robust cost data from recent regional transport schemes to inform the development of business cases, improve the accuracy of appraisals and assist Local Authorities with cost certainty and challenge. This will enhance the region's ability to demonstrate value for money and streamline assurance processes both in the immediate term and in the operation of the forthcoming CRSTS2 programme.
- 1.4.6. Recommendation 2 e seeks approval of £110k to undertake an independent assessment of Local Authority-sponsored CRSTS2 candidate schemes. This assessment will help identify a refined prospective programme for investment through CRSTS2 and support the strategic allocation of development funding from CRSTS capacity funds to the regions Local Authorities. The study will ensure the region is well-placed to commence capital delivery immediately upon confirmation of CRSTS2 funding
- 1.4.7. These investments represent a proactive and strategic approach to CRSTS2 programme development, ensuring the Mayor and Cabinet are equipped with the evidence base and analysis

necessary to shape the next phase of transformative transport investment in the North East. Indicative budgets for professional services support have been identified through a combination of previously undertaken equivalent commissions within the region, through soft market testing with suppliers and through benchmarking with regional stakeholders. Each procurement exercise noted above will involve a mini competition designed to realise savings, social value and ensure wider alignment to North East CA missions in the awarding of contracts. Any savings realised through competitive procurement will be retained within the CRSTS capacity funding budget.

## **B. Impact on North East Combined Authority Objectives**

1. The LTP and its associated Delivery Plan place a key focus on delivering a fully integrated public transport system, allowing for single payments across multiple modes, better travel planning and ensuring smoother journeys. This is complemented with ambitions for a large EV charging network and an expanded and joined-up walking and cycling network with supporting facilities and provision, with a focus on safety and security for women and girls. The proposals included within this report directly contribute towards achieving these aims, and in turn, support the North East Combined Authority corporate objectives, in particular, delivering a Home of real opportunity and a North East we are proud to call home.
2. The benefits that will be realised through the delivery of the CRSTS funded programmes included in this report will improve the attractiveness, accessibility, safety and security of public transport and active travel, leading to more people choosing to travel sustainably, journey time savings for people choosing to travel sustainably and the reduction in harmful emissions owing to a concerted focus on decarbonisation. The Value for Money of each programme falls into the 'high value for money' categorisation. Delivery of the CRSTS programme as a whole will lay the foundations for an integrated and inclusive transport network that will deliver a fairer, greener, better connected and successful North East.

## **C. Key risks**

1. Delivery risks associated with the grant funding included this report are centred on ensuring that schemes utilising funding defray expenditure in line with conditions of CRSTS funding. In the case of CRSTS capital funding, expenditure is required by 31 March 2027. This report therefore seeks to ensure risks of delivery are mitigated and minimised as far as possible by expediting the decision-making process relating to scheme approvals.
2. A full risk assessment for the programme of transport delivery has been prepared with detailed mitigations identified. This will be maintained and reported on through the lifetime of the programme. Scheme risks will be managed throughout the delivery of schemes by scheme promoters, reported on quarterly through the claims and monitoring process and fed into the overarching programme risk register alongside the corporate strategic risk register.
3. This report also seeks to ensure risks of identifying, developing and agreeing CRSTS2 capital proposals are minimised through the allocation of CRSTS capacity funding and undertaking procurement activity through a range of studies, ensuring the Mayor and Cabinet are well placed to make informed decisions on the prioritisation of CRSTS2 investment.

## **D. Financial and other resources implications**

1. The anticipated forecast of CRSTS capital grant expenditure associated with this report (recommendations 1 a-c) is provided in the table below:

Programme	FY 2025/26	FY 2026/27	TOTAL (£m)
Bus Stop Improvement Programme	1.680	1.820	3.500
Connected Stations Programme	3.480	2.520	6.000
Electric Vehicle Infrastructure Programme	1.473	2.947	4.420
<b>TOTAL</b>	6.633	7.287	13.920



2. The anticipated forecast of CRSTS capacity funding expenditure associated with this report (recommendations 2 a-e) is provided in the table below:

Proposal	FY 2025/26	FY 2026/27	TOTAL (£m)
Bus Priority Infrastructure Phase 2 Study	0.09	0.05	<b>0.140</b>
Identification of Gaps in the Active Travel Network Study	0.100	0.03	<b>0.130</b>
Bike Hire Feasibility Study	0.120	-	<b>0.120</b>
Benchmarking Capital Infrastructure in the North East	0.100	-	<b>0.100</b>
Independent Assessment of CRSTS2 Proposals	0.08	0.03	<b>0.110</b>
<b>TOTAL</b>	<b>0.490</b>	<b>0.110</b>	<b>0.600</b>

## **E. Legal implications**

1. The comments of the Monitoring Officer have been included in this report, The grant funding awarded under recommendations 1(a to c) will be subject to grant funding agreements between the North East CA and the scheme promoters which will ensure the North East CA's obligations to the DfT with regard to the CRSTS grant funding are met. All schemes will be subject to a subsidy control assessment prior to the award of funding, in line with the Single Assurance Framework.

## **F. Equalities Implications**

1. The CRSTS programme of investment aims to support the delivery of a transport network that works for everyone in the North East, reducing barriers and improving accessibility for all. Interventions included in the CRSTS programme are designed and will be delivered to make sure that the impacts on, and benefits for, all transport users are taken into account.
2. North East CA is committed to complying with the Equality Act 2010 and the Public Sector Equality Duty and to fulfilling its statutory duties towards its employees and residents with regards to equality and inclusion, including when developing schemes. A Health and Equalities Impact Assessment has been produced for CRSTS investment which considers impacts of schemes supported by CRSTS, in terms of human health and well-being, and considers whether particular groups of people may be disproportionately advantaged or disadvantaged by proposals, this includes an assessment of the impacts of proposed investments included in this report. The Health and Equalities Impact Assessment demonstrates that the proposals included within this report are likely to deliver a positive impact on equalities, inclusion and health.

## **G. Consultation and engagement**

1. The LTP and its associated Delivery Plan have been subject to extensive public consultation which ran across a 12-week period between 4 November 2024 and 26 January 2025. It included face to face engagement and meetings at locations across the region, online discussion and surveys promoted by social media. 16,294 responses were received. The interventions covered by this report are all included within the LTP Delivery Plan.
2. This paper has been considered through Heads of Transport of the LA7 constituent authorities. Schemes included in the Programmes recommended for approval will be subject to local approval, consultation and onwards approval in line with the processes outlined within the agreed Single Assurance Framework. Scheme promoters are responsible for undertaking consultation and engagement pertaining to each individual scheme over the course of scheme development and delivery.

## H. Appendices

None

## I. Background papers

North East CA Cabinet, July 2024: <https://www.northeast-ca.gov.uk/downloads/2768/public-agenda-pack-north-east-ca-cabinet-30-07-24.pdf>

North East CA Cabinet, March 2025: <https://www.northeast-ca.gov.uk/downloads/3509/cabinet-agenda-18-march-2025-public-.pdf>

## J. Contact officer(s)

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## K. Glossary

BCR	Benefit Cost Ratio
BSIP	Bus Service Improvement Plan
CA	Combined Authority
CRSTS	City Region Sustainable Transport Settlement
CRSTS2	City Region Sustainable Transport Settlement, round 2
DfT	Department for Transport
LA7	The seven Local Authorities which make up the North East region; Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland.
LEVI	Local Electric Vehicle Infrastructure
LTP	Local Transport Plan
LUF	Levelling Up Fund

**Title:** Creating the Home of Real Opportunity: SHINE Employer Accreditation Programme

**Report of:** Alan Reiss, Director of Operations

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## Report Summary

The Mayor and Cabinet has made it a mission to make the North East home to a growing and vibrant economy for all, in which everyone has the opportunity not just to get a good job but to hold it down and build a career. Employers of all sizes have a huge role to play in creating opportunity and the Combined Authority seeks to help them play that role in practical ways.

This report updates Cabinet on the launch SHINE Good Employer accreditation programme. Shine will form an integral part of the Mayor and Cabinet's forthcoming New Deal for North East Workers (New Deal). The New Deal will be the region's skills and employability plan setting out how we make sure that as we invest to create jobs we equip and support people to take the opportunities around them. A key element will be our aspiration to become a good work region by inspiring employers to adopt and celebrate good work principles underpinned by Shine. Everyone deserves good employment.

Shine will provide support for employers of all sizes to be recognised for their good work credentials, and to progress towards continuous improvement through a tiered assessment and reward system. We have created Shine through lengthy engagement with employers and trades unions, and made sure the scheme is aligned with regional priorities and reflects the expected changes to UK employment rights.

Supported by the seven regional Local Authorities and trade unions, an event to promote the launch of SHINE will take place in June 2025 followed by a series of information roadshow events encouraging employers to find out more. Employers can choose to start their journey or be recognised for their existing good practice.

As a Combined Authority we will use Shine to ensure that employers, particularly small and micro employers, can access the knowledge and resources they need to develop good employment practices that lead to a more skilled and resilient business base and workforce, so paving the way to the creation of the good jobs of the future.

Shine firmly supports the ambition for the creation and sustaining of entrepreneurial communities ensuring that the North East is a cohesive, inclusive, and resilient region where everyone thrives and has the opportunity to contribute to the region's success. The programme will be monitored to ensure activity will meet a range of positive outputs and priorities including an overall improvement of job quality over time.

## Recommendations

Cabinet is recommended to:

1. Note and endorse the objectives of Shine.
2. Note the forthcoming engagement initiatives.

## A. Context

### 1. Background

- 1.1. Many people living in the North East experience worse social and economic outcomes than those living in the rest of the UK. Social and economic inequalities also exist *within* our region. Nearly a third of children are growing up in poverty and 70% of those children live in households where at

least one person is in work.<sup>1</sup> Poor work including insecure, low paid and poor-quality jobs fuel the poverty pandemic. If more people had access to good work including work that offers fair pay, flexibility, and access to development as a minimum as well as access to better health, less people would experience poverty, and the region could benefit economically too.

**The economic benefits of good work include:**

- Fewer economically inactive people, and more economically active people due to better access, inclusivity, and flexibility in the workplace.
- Increased levels of entrepreneurialism and startup businesses due to a boosted economy of more people in work instead of out of work.
- Less poor health and the strain on resources this presents
- Increased organisational productivity from happier, more productive employees and less sickness.
- Increased inclusivity and diversity in employer organisations meaning less marginalised discrimination leading to boosted communities and decreased poverty.

1.2. Despite the recognised benefits of offering good employment conditions, too many poor jobs still exist, not only in larger employers but in the 98% of small, micro and startup businesses that make up our regional economy. Additionally, small employers have less resource and often no dedicated HR provision, whilst many are juggling multiple duties as owner-managers meaning time for improvements is limited.

1.3 Shine is free to access for employers of all sizes however an employer's time is not invaluable and in return for their commitment towards improvement we will offer, the deserved kudos through PR opportunities, access to events and new networks and profile enhancements with progression through the award levels. In addition, as a CA we can offer early engagement opportunities to our community of good employers

## 2. Programme design

2.1. Recognising previous accreditation could be more accessible for SME employers, SHINE consists of a re-shaped criteria with the following access routes available:

Route	Conditions	Benefits
Subscriber	Sign up only – progress to foundation	Access to resources and events
Foundation	Achieve level 1 (Beam 1)	Website acknowledgement and accreditation badge.
Intermediate	Achieve level 2 (Beams 1 and 2)	Employer gains profile access, PR opportunities and accreditation badge
Advanced	Achieve level 3,4 & 5 (Beams 1-5)	Employer gains enhanced profile, advanced badge, enhance PR opportunity and accreditation badge.

2.2 Shine will provide a new website offering, containing a member knowledge and resource hub supported by a programme of peer-to-peer learning events and networking opportunities. This means employers have access to a one-stop-shop for good employment resources, making access to this knowledge easier to obtain. The Shine team will work with stakeholders such as the CIPD to provide quality resources that enable employers to learn, adapt, and grow.

2.3 The website will also include a bespoke application system that heightens the customer experience making applications to the scheme less about the amount of content and more about how employers can demonstrate they meet the criteria.

2.4 In asking employers to spend time improving, it is essential that the programme offers a 'value-add.' As employers progress additional benefits are unlocked such as, PR opportunities driven by the CA, access to a public profile demonstrating level of employment quality. At Advanced stage enhanced

<sup>1</sup> <https://www.nechildpoverty.org.uk/facts/>

profiles and brand display are offered. Additional benefits will be part of the programmes ongoing development.

2.5 The accreditation criteria are attached at Appendix B.

### **3. Credibility and Robustness**

3.1 To ensure Shine is a high quality, robust and credible scheme for employers to back the quality elements embedded include:

- A two-step assessment and verification process for each application award with evidence requirements from applicants
- A robust feedback and complaints process to handle any award discrepancies
- A two-yearly renewal requirement of all awards

3.2 Additionally, a steering group will be created to ensure stakeholders such as CIPD, trade unions and businesses can offer their knowledge and expertise to benefit the programme, monitor its delivery, and are consulted on any plans and changes.

### **4 Brand Image**

4.1 Appendix A shows the new highly visual and engaging brand for the Shine programme. The new logo brings in the arrow displayed in the CA's own brand and is reflected in the five Beams (Levels) of Shine criteria. This forms a 'beacon' or 'star' known as 'the beacon of responsible employment in the North East.' This brand image is featured in the employer digital badges on offer, where the numbers of 'beams' filled, indicates an employer's progress through the relevant award levels.

4.2 The website graphic design replicates the 'beacon/star' related positive branding throughout, making for a positive and engaging experience for the user.

### **5 Programme Launch**

5.1 The SHINE programme will be launched to a business and stakeholder audience on the morning of **12<sup>th</sup> of June 2025 the Customs House in South Shields** with support from South Tyneside Council. Delegates will be welcomed to the venue by a representative of South Tyneside Council and SHINE will be launched by Mayor. Formal proceedings will be followed by a musical keynote address featuring local musician and professional speaker Dr Mark Deeks (TEDx).

5.2 Booking is now available for the event using the [eventbrite link](#). Members are encouraged to share this link to employer contacts. LA contacts are primed to share with local business audiences. The event will be followed by a series of information roadshow events encouraging employers to find out more.

### **6 The North East Combined Authority - Commitment to Shine Employment Excellence**

6.1 As originators of the Shine programme it is essential that the North East CA commits to its own standards of employment excellence, and both aspires to and holds the highest available level of accreditation.

6.2 An analysis of the criteria has been undertaken in preparation for launch of Shine to ensure the CA meets the Advanced criteria award. Analysis shows that the CA currently either fully or partially meets 90% of the requirements. Work is underway to ensure that the CA meets 100% of the required criteria and will be the first to be fully accredited under the new application system.

**B. Impact on North East Combined Authority Objectives**

1. All funded activity will contribute to progressing the Mayor and Cabinet's priorities particularly in respect of making the North East the *Real Home of Opportunity*, more people sharing in success and prosperity in the region they call home.

**C. Key risks**

1. The Shine criteria are new, although tested with a range of businesses regular feedback will still be sought as employers undertake the application process. This is to ensure it is meeting their needs. In addition, to ensure CA KPI's are being met, and necessary progress is seen, regular performance reports will be provided to SLT. Regular evaluations will also take place to measure the overall success of the project.
2. Employment laws are in a state of change and regular updates will be required to ensure the scheme is fit for purpose. To ensure this a steering group will be convened where input on performance and future plans or changes can be discussed. This steering group will be open to key stakeholders, members, and trade unions.

**D. Financial and other resources implications**

1. As the scheme grows in the region so will its need for additional resource including staffing. Currently funded by a legacy fund of the former North East CA. A review of its future needs will be required by the end of 2025/26.

**E. Legal implications**

1. The Monitoring Officer has been consulted and has no comments to add to the report.

**F. Equalities Implications**

1. Shine has been designed to increase opportunities for residents in accessing better quality jobs. Employers that improve access to opportunities and that develop of their employees increase the potential of opportunities for those most at risk of poor social and economic outcomes.
2. Any opportunities for subcontracted services in the delivery of Shine will follow the CA's procurement guidance and will consider opportunities available to local SME' s as a priority.

**G. Appendices**

Appendix A - Shine brand and employer badges  
Appendix B – Shine accreditation criteria

**H. Background papers**

None

**I. Contact officer(s)**

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Caroline Preston, Economy and Policy Advisor [caroline.preston@northeast-ca.gov.uk](mailto:caroline.preston@northeast-ca.gov.uk)

**J. Glossary**

None







# The Five Beams of Responsible Employment

## Full Criteria, Achievement Indicators and Small Business Guidance


This document presents all five 'Beams' of the SHINE employer accreditation scheme. It is designed to challenge employers to align their policies and operations with their people, harnessing their potential to drive growth, increase productivity, break down barriers to opportunity and reduce child poverty in our region. SHINE accreditation is available at four levels:

To achieve Foundation Level – complete Beam 1			
	<b>Beam 1</b>	<b>Prioritising Employee Health, Safety and Wellbeing Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information.
1. Ensure every individual has a safe and healthy workplace where they feel secure.		<b>1. Employers to evidence:</b> <ol style="list-style-type: none"> <li>Employees are given a thorough health and safety induction embedded into a fair and monitored probation period.</li> <li>Health and safety policies within the organisation and how these are accessed, during employment and probation periods.</li> <li>Risk assessment processes ensuring employees and contractors are safe, including procedures for raising the alarm.</li> <li>Policies or actions to ensure employees and contractors are protected from sexual harassment on or off the premises.</li> <li>Protections that exist when reporting any form of risk to personal safety at work (e.g. whistleblower policy).</li> <li>Protections in place to prevent employees being unduly contacted when not contracted to work (employees time off is honoured with exception for emergency/crisis).</li> </ol>	<b>Show how health and safety is managed:</b> the policies are in place and risks are monitored and managed. How workers are protected in line with criteria.
2. Provide health and safety training that empowers employees and provide accessible representation.		<b>1. Employers to evidence:</b> <ol style="list-style-type: none"> <li>Training activities related to the employer's health and safety policies, including communication of updates and changes and the protection of contractors.</li> <li>A clear structure of responsibility within the organisation providing health and safety advice, support, representation, and any opportunities for employee input.</li> </ol>	<b>Show how training and accountability enables good health and safety standards:</b> What training exists? How is it updated? Who is responsible and how is communication enabled?
3. Create opportunities for individuals to adopt a healthy lifestyle, including mental health		<b>1. Employers to detail:</b> <ol style="list-style-type: none"> <li>Activities, information/initiatives offered that encourage employees to develop healthy lifestyles (e.g., exercise, healthy eating, stress reduction and awareness of major lifestyle risks).</li> </ol>	<b>Show the efforts made to enable a healthy workforce:</b> Any initiative to enable healthier lifestyles, to raise


To achieve Foundation Level – complete Beam 1

	Beam 1	Prioritising Employee Health, Safety and Wellbeing Achievement Indicators	Small Business Guidance Always consider the evidence available to support your information.
support, health awareness and in building resilience.	<ul style="list-style-type: none"><li>b. The functions in place to support employee’s positive mental health (e.g., de-stigmatising, open culture, identifying risks, early prevention).</li><li>c. Training for managers to spot the signs and respond.</li><li>d. Plans or policies in place that support common triggers of mental health decline, including support for the menopause, awareness of domestic abuse, stress in the workplace, and provision of information sources for employees.</li></ul>	awareness of mental health and de-stigmatise. To ensure there are mechanisms that could help identify a need and that support is available e.g. information, referral etc.	
4. Offer support for people with health conditions and disabilities, helping them thrive and progress in their roles at all stages in life.	<p><b>1. Employers to evidence:</b></p> <ul style="list-style-type: none"><li>a. How the management of sickness absence is monitored to identify patterns and problems.</li><li>b. Support for employees at life’s transitional stages (e.g., menopause and ageing).</li><li>c. Its inclusivity policies which ensure support for employees with disabilities or illness, meaning progression is not impeded and how inclusivity and diversity is respected.</li><li>d. Any knowledge of neurodiversity and how this is managed, ensuring employees can perform at their best.</li><li>e. Arrangements and support in place for employees or their families on the diagnosis of a terminal illness and the flexibility or absence arrangements in place.</li></ul>	<p><b>Show how employees are supported:</b> During times of ill health or through injury / disability, or periods of mental ill health, how are employees supported? What policies exist? E.g. paid leave, return to work, assessment, counselling etc. How is the support communicated? E.g. Policies for sickness, EDI, training for managers.</p>	


**To achieve Intermediate Level (Award) – complete Beam 1 and Beam 2**


	Beam 2	Community, Net Zero and Social Responsibility Achievement Indicators	Small Business Guidance Always consider the evidence available to support your information
1. Show social responsibility through buying and contracting practices, prioritising local suppliers, and ensuring timely payments in support of small businesses.	<b>1. Employer should detail:</b> a. Elements of their operation that supports and prioritises local suppliers (e.g., use of local enterprises). b. The policies or practices in place to ensure prompt payment, particularly to SME's (e.g. sign up to the <a href="#">fair payment code</a> ). c. Policies or practices that mean freelance or self-employed contractors are protected by contract and fair pay.	<b>Show how the supply chain is fair and balanced:</b> How are suppliers chosen and paid fairly? E.g. sustainable procurement policy. How is the importance communicated to staff and including any business aims, objectives or ethics?	
2. Support the local community, identify opportunities that enhance local life and build genuine connections.	<b>1. Employers should seek to understand and/or demonstrate:</b> a) An awareness of the actions they can take to which prioritises the reduction of Child Poverty in the North East, including: how the financial resilience of employees can be improved to prevent in-work poverty (e.g. access to information), and how the employer accesses available support to understand and improve their staff's financial wellbeing. b) How policies impact the local community (e.g., local hiring, fair wages, local procurement, environmental initiatives, and CSR). c) Known challenges in the local community, and wider region, and actions the employer can take to support (e.g., work experience for young people, supporting school and college careers programmes, training, flexible jobs - particularly for those with caring responsibilities, adult work placements, apprenticeships, pro-bono advice or support, including in-kind support). d) The community organisations/charities that exist locally and how the employer could support these.	<b>Show how you increase resilience in employees and the local community:</b> Do you understand difficulties employees may face? Do you have an open and safe culture for discussion, are managers supportive? Do you consider the community in your daily operations? Have you or could you support further?	
3. Encourage personal social responsibility by supporting employees in community projects and volunteering, empowering them to give back.	<b>1. Employers should seek to understand and/or demonstrate:</b> a. Any opportunities in the community which could be supported through employee volunteering. b. The policies or flexibility that exists to allow employees to volunteer or assist.	<b>Have you or will you consider:</b> Allowing employees time to volunteer? Could this be supported through paid time off? Could the business do more for local charities or organisations?	

**To achieve Intermediate Level (Award) – complete Beam 1 and Beam 2**


	<b>Beam 2</b>	<b>Community, Net Zero and Social Responsibility Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information
4. Make a clear commitment to sustainability, including the reduction of carbon and show actions that protect the environment.		<b>1. Employers should demonstrate a commitment to sustainability and the environment by:</b> <ol style="list-style-type: none"> <li>Showing an understanding of the organisations environmental impact and sources of <a href="#">scope 1, 2 and 3 emissions</a>.</li> <li>Identifying the steps taken or that could be taken to reduce this in a <a href="#">basic plan</a>.</li> <li>Identifying how employees travel to work and any opportunities or incentives that could reduce these emissions <a href="#">sample</a>.</li> <li>Demonstrating participation in any environmental projects e.g. river cleans, litter picks, tree planting, community work.</li> <li>Commit to finding out and doing more through referrals to supportive projects.</li> </ol>	<b>Show a basic understanding of</b> the organisations main sources of carbon or environmental impact, and how employee behaviour impacts e.g. travel to work. Show participation in any prevention, community or clean up work.

**To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5**


	<b>Beam 3</b>	<b>Enabling Employee Voice, Communications and Representation Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information
1. Truly value and listen to each employee, ensuring they feel heard and respected.		<b>1. Employer should demonstrate how the employee voice is listened to, including:</b> <ol style="list-style-type: none"> <li>The regular meetings/communications that provide organisation updates and opportunities for employee feedback.</li> <li>Opportunities to hear employees (e.g., 1:1s, appraisals, anonymous suggestions, pulse surveys, and team meetings).</li> <li>Regular communications, including any use of technology such as newsletters, intranet, and digital messaging.</li> </ol>	<b>How does the business:</b> Communicate with employees on a group and 121 basis? Identify any changes implemented as a result of employee voice or feedback.
2. Empower employees by giving them autonomy and genuine job fulfilment.		<b>Job fulfilment</b> is the satisfaction and purpose employees feel when their work is meaningful, recognised, offers growth, and aligns with their values in a positive environment. <b>A job can be meaningful</b> when it aligns with an individual's values, contributes to a greater purpose, positively impacts others, and provides opportunities for personal growth and a sense of accomplishment. <b>Employers should demonstrate how:</b> <ol style="list-style-type: none"> <li>Company values are established, and trust is enabled.</li> <li>How employees can contribute to organisational success and innovation/problem solving.</li> </ol>	<b>What efforts are taken to:</b> Embed trust in the organisation? Align work and opportunities with employee strengths?

To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5			
	Beam 3	Enabling Employee Voice, Communications and Representation Achievement Indicators	Small Business Guidance Always consider the evidence available to support your information
		<ul style="list-style-type: none"> <li>c. How organisational opportunities are thought through to provide meaningful work.</li> <li>d. How achievement is recognised and celebrated.</li> <li>e. How does this create a positive and inclusive culture.</li> <li>f. How employees can maximise their strengths, interests, and goals through opportunities across the workplace.</li> </ul>	<p>Ensure opportunities to participate are distributed fairly and consistently.</p> <p>Ensure there are opportunities for employees to maximise their strengths and receive recognition.</p>
3. Foster inclusive practices through access to employment policies and enable the right to representation.		<p><b>1. Employers should demonstrate how:</b></p> <ul style="list-style-type: none"> <li>a. Organisational policies are accessed and simplified.</li> <li>b. Employees are supported with a workplace or personal issue (e.g., employment, contracts, personal issues).</li> <li>c. Information is provided on the right to join a trade union whether the employer has a recognition agreement or not.</li> </ul>	<p><b>Demonstrate how employees:</b> Access policies or employee guidance easily and have access to help on personal or work issues. Also demonstrate how employees are made aware of their right to join a trade union or similar support network.</p>
4. Promote fairness and build trust across all levels of the organisation, creating an environment where everyone feels supported.		<p><b>1. Employers should demonstrate:</b></p> <ul style="list-style-type: none"> <li>a. That all employees are treated equally.</li> <li>b. That leaders actively listen and show compassion and flexibility in the face of challenges.</li> <li>c. The work environment is psychologically safe where employees can share information without fear of retribution.</li> <li>d. That compensation, wages, and benefits are universally fair.</li> <li>e. Employees are encouraged to rest and have balance (e.g., taking/requesting permitted leave without undue complexity).</li> </ul>	<p><b>How does the employer:</b> Treat all employees fairly, ensure they listen and show compassion and flexibility in time of need? How are employees made to feel safe, including in the need to report concerns. How does the employer ensure wages and compensation is fair and employees rest periods are respected?</p>


To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5

	Beam 4	Opportunity for All – Inclusivity, Upskilling and Employee Empowerment Achievement Indicators	Small Business Guidance Always consider the evidence available to support your information
1. Invest in each person’s training and skill development, helping them grow and progress in their careers.	<b>1. Employers to demonstrate:</b> a. The induction processes available to each new employee and the performance management, training, and support in place. b. The opportunities employees have to learn and develop in the workplace. c. How training and development opportunities are identified and offered to employees fairly. d. How progression opportunities are offered fairly, with support offered to those requiring it.	<b>Show how:</b> Training / development is identified and allocated? How development is part of the business’s success planning with employee progress also prioritised.	
2. Offer quality opportunities that open the doors to employment, creating an inclusive workforce and opportunities to build a talent pipeline.	<b>1. Employers to demonstrate:</b> a. The opportunities that could open doors to employment (e.g. apprenticeship, placements, paid internships, and traineeships). b. Where the above opportunities exist, if a referral to a supporting partner or training provider is required, making opportunities a reality. c. Where apprentices are hired, that wages align with government guidance or the Living Wage, as appropriate. d. How opportunities provide a quality training experiences (e.g., guided learning, workplace support, mentoring etc).	<b>Explain how:</b> Opportunities for people to join your workforce are identified. In this, how early entry and the community is considered. That opportunities are fairly paid and offer a quality experience. How could early entry opportunities be maximised?	
3. Ensure that entry level workers have clear paths to progress and build their skills.	<b>1. Employers to demonstrate:</b> a. Training and development activity undertaken that enables entry level or unskilled workers to progress as applicable. b. How management training and support is enabled to enhance opportunities for employees in entry level or unskilled roles. c. How training and development activities and opportunities are identified and communicated. d. How employment opportunities in the organisation are identified and aligned with employee progression in mind.	<b>Show how:</b> Entry level workers have routes to develop and progress and that managers are trained to support workers to develop, and support progression at work.	
4. Embrace clear and fair policies that promote equality, diversity, and inclusive opportunities for all.	<b>1. The employer demonstrates acceptable policies that:</b> a. <b>Recruitment:</b> Remove barriers that hinder diverse talent, such as unconscious bias in shortlisting, unnecessary qualification requirements, limited advertising reach, and lack of accessible application methods, while promoting diversity goals and diverse interview panels. b. <b>Fairness and equality:</b> Foster trust by promoting equality, celebrating diversity, and embedding fairness into the organisation's operations and leadership. <b>2. Ensure the organisations leadership:</b> a. Are aware of the <a href="#">Equality Act 2010 (UK)</a> and their behaviours sets example. b. Makes training available to teams.	<b>Show:</b> How the business operates in a fair and inclusive way, particularly in recruitment and in the fair treatment of all workers. Show that the employer prioritises equality and communicates the importance of this in the workplace.	

To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5


	<b>Beam 4</b>	<b>Opportunity for All – Inclusivity, Upskilling and Employee Empowerment Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information
		c. Ensures employees are aware of expectations and have options for reporting concerns.	


To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5

	<b>Beam 5</b>	<b>Fair Work and Fair Pay for All Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information
1. Ensure every employee receives fair pay for a fair day's work. This includes payment of the <b>real Living Wage</b> to every employee and celebrating fair pay in the North East through optional accreditation.	<b>1. Employers confirm:</b> <ul style="list-style-type: none"><li>a. All employees are paid at least the <i>independently calculated real</i> <a href="#">Living Wage</a> set by the Living Wage Foundation.</li><li>b. All internships or placements are paid in line with regulations or real <a href="#">Living Wage</a> unless part of a training course scheme.</li><li>c. Employee wages are regularly reviewed to ensure fairness and consistency for all job types (Large employers 250+, to provide a gender pay gap report and plan/completion date).</li><li>d. Fair redundancy policies and processes that support employees emotionally and financially.</li></ul> <b>2. Employers should consider:</b> <ul style="list-style-type: none"><li>e. Celebrating their commitment to fair pay through accreditation with the <a href="#">Living Wage Foundation</a>, supporting the payment of fair pay in the North East.</li></ul>	<b>Confirm that:</b> All staff are paid at least the real Living Wage, ideally considering accreditation, putting emphasis on the business to extend this to the supply chain. Show the fair and consistent ways pay is calculated and offered, meaning no internship is unpaid and that redundancy processes are fair and supportive.	
2. Demonstrate social impact by reviewing procurements or subcontracted services to encourage better employment practices in supply chains.	<b>1. Employers should:</b> <ul style="list-style-type: none"><li>a. Make efforts to understand their supply chain which can help reduce poverty (e.g. ensure fair payment rates, avoid last-minute cancellations that could financially harm small-scale suppliers).</li><li>b. Ensure the fair pay of sub-contractors and consider signing up to the <a href="#">fair payment code</a>.</li><li>c. Increase ethical purchasing decisions including reduction of food miles, support small businesses, supporting the voluntary and community sectors.</li></ul>	<b>Show how:</b> in addition to Beam 2 and ethical purchasing decisions, that the business treats sub-contractors fairly. Consider signing up to the <a href="#">fair payment code</a> or including standard payment terms.	



To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5

 Beam 5	Fair Work and Fair Pay for All Achievement Indicators	Small Business Guidance Always consider the evidence available to support your information
3. Ensure employees’ work-life balance is maximised where operationally possible. Ensure that absence for ill health is compensated for fairly and employees are not adversely affected financially. Show that the employer goes above UK employment law in supporting employees to thrive.	<p><b>1. Employer should demonstrate:</b></p> <ul style="list-style-type: none"><li>a. Policies that feature and support <a href="#">flexible working</a> where operationally feasible a supportive culture around this.</li><li>b. Availability of enhanced sick pay that ensures employees are not adversely affected financially by sickness absence.</li></ul> <p><b>2. Employers should offer support/absence leave in policies that consider:</b></p> <ul style="list-style-type: none"><li>a. Support for employee’s long-term health needs, including general ageing and transitional stages (e.g menopause) – large employers to demonstrate menopause policy and consider sign up to the <a href="#">Dying to Work Charter</a>).</li><li>b. The support available for employees with caring responsibilities including provision for <a href="#">carers leave</a>.</li><li>c. The needs and support available for employees’ requiring <a href="#">bereavement leave</a> and any discretion these policies include.</li><li>d. The organisation’s provision for maternity, paternity, and adoption/fostering leave and how this supports parents.</li></ul>	<p><b>Employer to evidence:</b> An offer of enhanced sick pay is available to all employees and ensure there are processes that enable employees recover and stay well at work. <b>The employer should:</b> Fully embrace flexibility in the workplace where feasible and support workers through life challenges e.g. parenting, caring, menopause, bereavement etc.</p>
4. Foster job security and fulfilment, valuing each person’s role and contribution to the organisation.	<p><b>1. The employer ensures that job security is maximised through the ethical use of temporary employment, including:</b></p> <ul style="list-style-type: none"><li>a. Zero-hours contracts used as an exception to more secure employment unless agreed as mutually beneficial.</li><li>b. Where casual or temporary contracts are utilised, workers are treated fairly through reasonable notice periods for shift assignments. In cases of shift cancellations, sufficient notice is provided, and compensation is considered for cancellations made at short notice.</li><li>c. Temporary workers are prioritised for longer-term contract opportunities.</li><li>d. Training/promotion opportunities for temporary staff are prioritised.</li><li>e. All employees, benefit from regular conversations with their line management, enabling voice and job fulfilment.</li><li>f. Managers are given regular training and resources to properly support employees in their roles.</li></ul>	<p><b>Evidence:</b> any use of temporary employment, fair treatment of these employees in line with policy and prioritising opportunities for workers to secure longer work and that managers are trained to ensure each worker has a good experience.</p>
5. Employer adopts a proactive approach to good employment practices with policies in place that protects workers' rights including subcontractors.	<p><b>1. Employers are required to evidence:</b></p> <ul style="list-style-type: none"><li>a. The policies in place that confirm workers’ rights e.g. organisation policies, employee handbooks or contracts.</li><li>b. That employees are made aware of their right to join a Trade Union regardless of a recognition agreement being in place.</li><li>c. Fair treatment of self-employed sub-contractors including transparent rates of pay in line with similar work in-house.</li><li>d. That fire and re-hire processes have not or will not be used in the organisation.</li></ul>	<p><b>Evidence:</b> availability of documents confirming workers’ rights e.g. employment contract, policies, staff handbooks. <b>Demonstrate:</b> Fair business practices that communicate employees’ rights to trade union representation and fair treatment of sub-</p>

To achieve Advanced Level (Award) – complete Beam 1 through to Beam 5			
	<b>Beam 5</b>	<b>Fair Work and Fair Pay for All Achievement Indicators</b>	<b>Small Business Guidance</b> Always consider the evidence available to support your information
			contractors including the rates of pay and payment.

**Title:** Brownfield Housing Fund Programme  
**Report of:** Phil Witcherly, Director of Economic Growth and Innovation

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## Report Summary

The Mayor is committed to a North East we are proud to call home with thriving well connected communities and where everyone has access to a good home. With the need for more homes, including more sustainable, affordable and social homes, as a core part of the Interim Local Growth Plan, there is recognition that the region needs to make the most of resources to unlock brownfield land to support delivery.

This report provides an update on the North East Brownfield Housing Fund Programme as part of the Housing and Land Portfolio, which has secured over £49.2m of public investment to unlock over 2,989 homes and over 73.9ha of brownfield land. With current Brownfield Housing Fund resources fully allocated and a deadline to spend resources by March 2026, work is being undertaken on pipeline development, including seeking opportunities to build more social and affordable homes.

The Ministry for Housing Communities and Local Government (MHCLG) have indicated that due to strong performance and success of the current Brownfield Housing Fund Programme in the NECA region, an additional £17.6m capital resource is expected to be allocated in 2025/26 to unlock circa 705 homes. Construction of these homes would need to start on site during 2028/29.

The report sets out the proposed next steps to allocating additional resource to the existing Brownfield Housing Fund Programme, as an important part of the Housing and Land Portfolio to support the ambitions of the Interim Local Growth Plan to expand the housing offer and affordable housing within the region and the Government's commitment to deliver 1.5m homes.

## Recommendations

Cabinet is recommended to:

1. Note the progress made to date in respect of delivering the North East £49m Brownfield Housing Fund Programme.
2. Agree to accept and allocate £17.6m Brownfield Housing Fund resources for 2025/26 from MHCLG to extend delivery of the North East Brownfield Housing Fund Programme and endorse the work programme set out for 2025/26.
3. Agree that the Chief Executive is to progress pipeline development, including procurement processes and award of contracts, for the Brownfield Housing Fund Programme, subsequent business cases and investment decisions in consultation with the Mayor and appropriate Portfolio Holder subject to the thresholds as set out in the Single Assurance Framework and previously agreed by Cabinet, i.e.:
  - Investment approvals up to £500k are to be approved by the Chief Executive, in consultation with the S73 Officer and Monitoring Officer.
  - Investment approvals over £500k and up to £1 million are approved by the Chief Executive, in consultation with the Technical Officers Group, S73 Officer and Monitoring Officer.
  - Investment approvals over £1 million and up to and including £5 million are approved by the Chief Executive, in consultation with the Finance and Investment Board, S73 Officer and Monitoring Officer.

### A. Context

#### 1. Background

- 1.1 The North East CA's Housing and Land Portfolio is responsible for developing a range of approaches for housing and strategic infrastructure that support regional growth. This includes

unlocking more homes, including more affordable and social housing, and supporting regeneration led place making. The Mayor's Manifesto, the North East CA's Corporate Plan and Interim Local Growth Plan recognise that unlocking growth in the right locations is fundamental to maximising social and economic impact, investment and delivering real opportunity for our communities, businesses and partners. Unlocking unviable brownfield sites is a core part of our approach to supporting housing delivery and leveraging both public and private investment.

- 1.2 In the 2020 Budget, a £400 million Brownfield Housing Fund (BHF) for Mayoral Combined Authorities to unlock stalled brownfield sites was announced, with extensions to this confirmed through the Levelling Up White Paper in February 2022. This has resulted in a combined £49.2m awarded to the North East to unlock land to support housing delivery over a 5 year period. This resource has helped to tackle viability issues and unlock stuck or unviable brownfield sites, turning them from eyesores into locations for the homes and communities people need.
- 1.3 Recent government policy, including the English Devolution White Paper, Planning and Infrastructure Bill, introduction of ambitious new housing targets and wider reforms to the National Planning Policy Framework has signalled that Combined Authorities are expected to play an increasing role in addressing housing challenges. Government has set out a clear role for combined authorities in enabling housing delivery and supporting progress toward the Government's 1.5 million new homes target (300,000 homes per year). Brownfield Housing Fund investment has been crucial to take forward local place making and infrastructure investment that meets local and regional growth priorities.
- 1.4 MHCLG have confirmed that, due to the strong performance of the current North East BHF Programme, it is expected that a further £17.6m capital allocation is awarded to the region to unlock brownfield land that could enable circa 705 homes. This is funding that is allocated in addition to the existing £49.2 million programme, and must be contracted by March 2026, with housing starts to commence in 2028/29.

## **2. North East Brownfield Housing Fund Programme**

- 2.1 The £49.2m Brownfield Housing Fund Programme has been awarded resources in stages from MHCLG (and previous equivalent government departments) over the last five years to unlock over 3,000 homes in the region
- 2.2 On 26 September 2023, NTCA Cabinet 'delegated responsibility to mobilise and take funding decisions, including the management of contractual and delivery risks, in relation to the North East CA's Devolved Brownfield Housing Funding to the Chief Executive in consultation with Investment Panel and authorised the Monitoring Officer and Chief Finance Officer to take all steps necessary to progress these programmes to meet the funding timetables agreed with Government'. (Cabinet Meeting 26 September 2023, Minute no 6 Resolution 4). In May 2024, the North East Combined Authority (North East CA) Cabinet agreed that 'the formal decisions which the former North East Combined Authority and the former North of Tyne Combined Authority made be treated as decisions of the Authority.' (Cabinet meeting 7 May 2024, Minute no C6/5/24 (4)).
- 2.3 Investment to date through our BHF Programme has supported over 19 schemes, brought forward over 73.24ha of brownfield land and unlocked 2,989 homes across a range of housing types and tenures. Construction of homes is underway on sites and is helping to support wider place based regeneration and economic growth. Investment has enabled land remediation, site acquisition to support land assembly, demolition of structures and old vacant housing stock, and delivered enabling infrastructure such as retaining walls, highways and ground preparation or energy infrastructure. Schemes have been delivered by Local Authorities, Registered Housing Providers and the private sector, aligned to both local and regional housing priorities and leveraged significant investment.
- 2.4 A variety of brownfield sites have been unlocked to enable delivery across a range of housing types and tenures. Scotswood Rise Phases 2, 3 and 5 in Newcastle has benefitted from over £7.5m investment that is unlocking 474 homes tackling substantial remediation costs and forms part of a long term approach to regenerating this area of the city that could deliver over 1800 homes. In

contrast Commissioners Quay in Blyth unlocked 41 homes for private sale through a £57,000 investment and more recently in 2024 a collection of three social housing sites in North Shields were awarded £1.4m to unlock 67 homes. A regeneration housing scheme in Horden, County Durham secured £4.5m to unlock 105 homes as part of its Masterplan with works expected to be completed by March 2026. £4.8m was approved for Sheepfolds in Sunderland to unlock 159 homes as part of the longer term approach for regenerating Riverside Sunderland.

- 2.5 As the programme has developed over the five year period we have witnessed significant cost increases in the construction sector and inflation, creating greater viability pressures for brownfield schemes. As a result the costs per housing start have increased within the programme but also nationally. However the benefits are wider reaching, with schemes providing construction jobs for the local economy, providing apprenticeship opportunities, contributing to the delivery of higher quality and more efficient homes, supporting wider regeneration objectives by removing vacant properties which are a source of anti-social behaviour and providing specific affordable housing needs. The programme is also supporting net zero commitments with some developments delivering air source heat pumps, photovoltaic solar panels and electric vehicle charging infrastructure. Schemes are funded through additional public sector funding (Homes England, Council, Brownfield Land Release Fund or Prudential Borrowing) and/or private sector funding. Some schemes have sought additional funding to support the delivery of affordable homes, including Newbiggin Hall and Bellingham Mart, from Homes England.
- 2.6 Resources for the existing £49.2m pipeline are now fully allocated, with the three remaining schemes due to be considered for investment through the Single Assurance Framework in June 2025 for approval. The programme is evaluated on an annual basis, with the next annual report due for completion in June 2025.

### **3. Proposed Pipeline Development for 2025/26 Allocation**

- 3.1 The Combined Authority through the management of the BHF Programme and partnership working with Homes England has continued to develop a housing pipeline and consider opportunities for unlocking brownfield sites across the region.
- 3.2 To consider the best options to meet the funding criteria and deliverability of potential schemes as part of an additional funding allocation for 2025/26, the Combined Authority will work with Local Authority partners to consider potential schemes that are deliverable, evidence of market failure and align with housing priorities set out in the Local Growth Plan. As with the current programme the fund is focused on site development and schemes will need to meet the essential criteria listed below:
- Located on brownfield land
  - Be in a position to contract by March 2026
  - Commence housing construction in 2028/29
  - Demonstrate market failure
  - Capital costs such as site investigations, demolition, remediation, land acquisition and infrastructure
  - Have a Benefit Cost Ratio (BCR) above 1, which is compliant with the Green Book and an indicator that shows the relative cost and benefits of a proposed scheme. The scheme is expected to deliver a positive impact with a value greater than 1. This is used to help assess the value for money of a scheme.
  - Included in a Local Plan (or emerging)
  - Complies with subsidy control rules
  - Look to support range of housing types, tenures and sustainable homes in a spread of geographical locations – with a particular emphasis on affordable housing and alignment with SPP priorities

- 3.3 All levels of funding would be considered but the amount requested will need to be evidenced through a development appraisal for the scheme. This sets out the expected expenditure costs and income for the whole housing development and is used to demonstrate viability. Expressions of Interest will be sought via Local Authorities (who can consider area based options with Registered Housing Providers or the private sector). Following due diligence these will be shortlisted on a scheme by scheme basis and lead applicants will then be invited to develop and submit business cases that demonstrate a case for investment. These will be appraised and considered in line with the Combined Authority's Single Assurance Framework processes.
- 3.4 It is proposed that a pipeline of schemes is considered by Finance and Investment Board in July 2025 and business cases brought forward for consideration up to December 2025. Cabinet is asked to consider this approach and delegate authority to the Chief Executive, in consultation with the Mayor and appropriate Portfolio Holder. Once schemes are approved, Grant Funding Agreements will be issued and schemes will deliver from 2025-2028, with housing construction commencing no later than March 2029.

#### **4. Capacity, skills development and construction sector**

- 4.1 As part of ongoing housing pipeline development and working with Homes England partners are considering the skills and capacity required to unblock and bring forward brownfield sites. This work will be built upon to ensure that project applicants are in the best possible position to bring forward robust propositions in the timescales required and that meet funding criteria.
- 4.2 A key priority in our interim Local Growth Plan is to expand and improve our housing offer more widely by building more homes to meet our housing delivery targets. This, alongside Government's commitment to deliver 1.5m homes will require an expansion of the UK's housing and construction workforce which will need new workers and to upskill existing workers to improve competence, safety, and productivity. For almost a third (31%) of construction employers, finding suitably skilled staff remains their key challenge, particularly with more older workers retiring and not being replaced. This demand is expected to increase further to deliver the homes and infrastructure that our region needs.
- 4.3 The North East CA's devolved Adult Skills Fund and Skills Bootcamp programme has a crucial role to play in supporting our housing and construction sector. It is essential that we continue to build on our current skills investments, with additional provision that addresses employers growing workforce demand in occupations such as groundworks, labourers, technical staff, architects, plant operatives and civil engineers. This alongside increasing investment in programmes that provide skills in modern construction methods, retrofit etc will be critical to securing the future workforce in this priority sector.
- 4.4 Supported by the Combined Authority, a regional College is working collaboratively with a range of housing associations and networks including SHINE (Social Housing Innovation North East) and the NEHP (North East Housing Partnership) to introduce a range of formal qualifications which will provide bespoke skills interventions to support the construction sector particularly in relation to green construction methods and retrofit.
- 4.5 A cutting-edge new training facility in Sunderland, Housing Innovation and Construction Skills Academy (HICSA) is due to open in October 2025. This will see people trained to build and upgrade the city's homes locally, using modern construction methods, low carbon, renewable energy and smart technology. HICSA will be a great asset for the region and is a pioneering partnership between Education Partnership North East (EPNE), Northumbria University, Sunderland City Council, Gentoo and a plethora of local and regional employers who will help to drive the curriculum and ensure the offer matches the skills requirement.

**B. Impact on North East Combined Authority Objectives**

1. All funded activity will contribute to progressing the Mayor's and Cabinet's priorities to support integrated place-based growth which have been set out in the Mayoral Manifesto, the North East CA Corporate Plan, Local Growth Plan and devolution deals.

**C. Key risks**

1. Principal risks associated with the activity have been set out in the report – scheme deliverability and meeting funding criteria to contract funding allocations by March 2026 and commence housing construction by 2028/29. A full risk assessment will be completed as part of the North East CA Single Assurance Process as detailed business cases are developed.

**D. Financial and other resources implications**

1. The table below sets out the funding allocation and potential expenditure profile for the additional allocation.

North East Brownfield Housing Fund	Allocation	Expenditure	Expenditure Profile		
	2020-2025/26	Previous Years	2025/26	2026/27	2027/28
Existing Brownfield Housing Fund	£49.2m	£19.6m	£29.6m	-	-
Expected Additional Allocation	£17.6m	-	£1m	£6.3m	10.3m
<b>Total</b>	<b>£66.8m</b>	£19.6m	£30.6m	£6.3m	10.3m

**E. Legal implications**

1. The comments of the Monitoring Officer have been included in this report.

**F. Equalities Implications**

1. The North East CA complies with the Public Sector Equality duty and is conscious of the need to achieve the objectives set out under s149 of the Equality Act 2010. In June 2024 the North East CA adopted equality objectives to reflect the different roles of the Combined Authority as an employer, a commissioner and deliverer of services, and a civic leader.

Equality implications will be considered as part of the Assurance Process, with impact assessments undertaken as part of specific business cases.

**G. Consultation and engagement**

1. Ongoing engagement and consultation has taken place with all constituent Local Authorities throughout the development and delivery of the Brownfield Housing Fund Programme. Schemes undertake extensive engagement within communities about proposals and as part of statutory planning processes to enable them to be brought forward for development.

**H. Appendices**

None



**I. Background papers**

None

**J. Contact officer(s)**

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**K. Glossary**

BHF – Brownfield Housing Fund

MHCLG – Ministry of Housing Communities and Local Government

NECA – North East Combined Authority

**Title:** Home of the Green Energy Revolution: Newcastle College Energy Academy Expansion  
**Report of:** Phil Witcherley, Director of Economic Growth & Innovation

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## Report Summary

The North East Mayor and Cabinet are committed to making the North East the home of the green energy revolution. This will drive the creation of up to 4,500 new skilled jobs in manufacturing and engineering on the River Tyne alone over the next 10 years, with the region's workforce in this sector growing to 24,000. It is essential that young people are given opportunity to learn the skills needed to take on the jobs being created.

This report provides an overview of the latest progress on delivery of the North East Investment Zone, and seeks Cabinet approval to:

- i. allocate £8,487,332 Investment Zone funding to enable the expansion of the Newcastle College Energy Academy in Wallsend;
- ii. agree the investment proposal set out in the confidential appendix to this report.

The Energy Academy project forms the next phase of the Investment Zone skills programme, following approval of the MADE NE project in July 2024, and the Energy Central Institute in February 2025. This project is aligned with the commitment outlined in the North East Local Growth Plan to strengthen and diversify the skills regional skills pipeline for offshore and renewable energy, and the Mayoral priority to create a Green Energy and Engineering Super Academy. Looking ahead, there is a strong investment pipeline within the Investment Zone.

## Recommendations

Cabinet is recommended to:

1. Approve in principle the award of funding of up to £8,487,332 from the North East Investment Zone programme for the Newcastle College Energy Academy project, and delegate approval and the finalisation of the funding agreement to the Chief Executive in consultation with the Finance and Investment Board, Section 73 Officer, and Monitoring Officer; and
2. Approve an in-principle allocation from the North East Investment Zone programme to support business investment in the Zone, as set out in the confidential appendix, and delegate approval of the funding and the finalisation of the funding agreement to the Chief Executive in consultation with the Finance and Investment Board, Section 73 Officer and Monitoring Officer.

### A. Context

#### 1. Introduction

- 1.1. The North East Investment Zone (IZ) has been designed to deliver £160m of investment and 4,000 jobs over the next ten years. With a sectoral focus on Advanced Manufacturing and Green Industries it builds on the 'Arc of Innovation' outlined in the NE devolution deal, spanning from Blyth to NETPark, including the Tyne Economic Corridor and the International Advanced Manufacturing Strategic Site. This includes many of the region's most productive businesses in areas of our economy where we have nationally and internationally leading expertise; in the offshore and renewable energy sector; electric vehicle and battery manufacturing; and associated low-carbon manufacturing, materials and research.
- 1.2. The business case and delivery plan for the North East IZ were co-developed by the Combined Authority, our constituent Local Authorities and Government. The programme will address the barriers to growth which have been identified by businesses and stakeholders in the priority sectors,

including by developing a regional pipeline of skilled workers, and ensuring that the investment offer for our industrial sites is globally competitive. The ambition for the IZ is to leverage at least £3 billion of private sector investment. The IZ tax incentives and flexible funding will be used to unlock growth in jobs and productivity through investment in skills, infrastructure and innovation.

1.3. Since the launch of the North East IZ in May 2025, the first phase of the IZ programme has seen three projects approved to enter delivery:

- MADE NE, which will deliver industry-relevant skills and innovation activity for the regional electric vehicle and battery manufacturing cluster;
- NETPark Phase 3a infrastructure and enabling works, which will unlock the entire NETPark Phase 3a site for future development, and accelerate the development of the first unit;
- The Energy Central Institute, a new Higher Education, research and innovation facility in Blyth town centre for the offshore energy sector.

1.4. On 27 May, the Finance and Investment Board also approved the NETPark Filtronic expansion and relocation project, subject to satisfactory completion of financial due diligence. This project will support the creation of over 50 new, highly-skilled jobs, increase R&D capacity, and safeguard the jobs of employees of local businesses in the supply chain.

1.5. North East CA officers will continue to work with the Local Authority IZ site leads and the private sector to bring forward IZ projects, in line with the priorities agreed by the North East Mayor and Cabinet, the Local Growth Plan, and the IZ delivery plan.

## **2. Energy Academy Expansion: Investment Proposal**

2.1. Opened in 2012, Newcastle College's Energy Academy is a purpose-built specialist renewable, subsea and offshore engineering facility working with businesses in the Tyne Powered cluster providing specialist skills, training and apprenticeships.

2.2. Newcastle College is requesting £8,487,332 of Investment Zone funding for the expansion of the Energy Academy. The capital funding will be used for the fit-out costs of a new building to be constructed on land adjacent to the existing Energy Academy, doubling the existing learning floorspace, to form a new Energy Campus. The expanded Campus will deliver high value skills training for offshore, renewable energy, and green industries on the River Tyne Economic Corridor, and will support the attraction of new private sector investment into key development sites.

2.3. The Academy and the proposed extension are located close to the Wallsend Metro station in North Tyneside, and adjacent to Swans Energy Park, a former shipyard with a deep-water quay and heavy load out facilities. Swans, and the neighbouring Neptune and Offshore Technology Parks, are prime sites for further development by offshore energy, subsea and marine businesses.

2.4. Intake for the existing facility has grown considerably in recent years and has taken the Academy to capacity with over 340 learners starting their study at the facility in the 2024/25 academic year. Growth in the offshore renewable energy industry is expected to create 4,500 jobs on the River Tyne over the next 10 years, with the regional workforce growing to 24,000. Once fully operational, the expanded Campus will deliver training to over 1,000 learners a year, in line with the Mayor's manifesto pledge to create a Green Energy and Engineering Super Academy.

2.5. The IZ funding request is limited to the internal fit out of the new building, with the building shell and core to be provided by the landlord, Shepherd Offshore Limited, as part of a long lease arrangement. The fit out costs include internal walls and partitions; doors, floors and ceiling finishes; IT and workshop equipment; and project team fees.

2.6. The project was discussed at the April 2025 meeting of the Tyne Taskforce and received strong support from Taskforce members. Letters of support for the project have been provided by businesses including Baker Hughes, Technip FMC, Bridon Bekaert, TEXO and Lhyfe, welcoming the potential to work with the Academy on their workforce challenges. The project presents an

opportunity to increase the training provision and employment opportunities in some of the region's most deprived wards situated along the banks of the River Tyne, providing clear and viable career pathways into a growing industry that has the potential to provide secure, skilled work for North East residents.

- 2.7. North Tyneside Council supports the expansion of the Academy, and the proposals complement wider regeneration plans and the priorities set out in the Wallsend masterplan, which includes regenerating the Town Centre and improving and broadening the appeal of nearby Segedunum Museum, a world heritage site, to include the history of industry on the river and the future it represents.
- 2.8. Subject to confirmation of funding, the construction project is expected to be complete in March 2027. This is based upon the shell-and-core construction works completing in June 2026 and the fit-out contract works (for which the applicant is seeking IZ funding) commencing in August 2026.
- 2.9. It is recommended that Cabinet agree in principle to award up to £8,487,332 of funding from the Investment Zone programme to Newcastle College for the expansion of the Energy Academy, and delegate approval of the funding and the finalisation of the funding agreement to the Chief Executive in consultation with the Finance and Investment Board, Section 73 Officer and Monitoring Officer.
- 2.10. Cabinet is also recommended to agree an in-principle allocation from the North East Investment Zone programme to support business investment in the Zone, as set out in the confidential appendix, and delegate approval of the funding and the finalisation of the funding agreement to the Chief Executive in consultation with the Finance and Investment Board, Section 73 Officer and Monitoring Officer.

## B. Impact on North East Combined Authority Objectives

### Outputs and Outcomes

Outputs	26/27	27/28	28/29	29/30	30/31	Total
Number of trainees completing new or improved vocational training course	0	112	778	897	989	2,776
Number of new/improved education facilities	1	0	0	0	0	1
Number of new/improved training courses	0	11	2	3	2	18
Amount of land reclaimed, remediated or rehabilitated (m2)	4,635	0	0	0	0	4,635
Area of learning floorspace created (m2)	3,470	0	0	0	0	3,470

1. The existing academy is 2,738 m2 and the proposed new building will be 3,470 m2 over two storeys, creating a total space of 6,208 m2. By year 5 of operation, the Academy will deliver 18 new or improved training courses, and learner numbers will increase from circa 340 to over 1,200.
2. The applicant has outlined in an Equalities Impact Assessment the aims of the project to develop an engaging curriculum including careers education and engagement with schools and young people to raise the profile of the clean energy sector and set out the pathways into these jobs for local residents. Currently, almost 60% of Newcastle College's student intake is areas in the top 3 deciles for Indices of Multiple Deprivation (IMD).

Description of Outcomes	Timeframe for achievement	Totals
Number of FTE permanent jobs created	2030/31	16.1
Number of residents gaining their first level 2 qualification	2030/31	663
Number of residents gaining their first level 3+ qualification	2030/31	1,289

Number of residents completing a Skills Bootcamp	2030/31	402
Number of residents attaining apprenticeship qualifications	2030/31	361

### **C. Key risks**

1. A project risk register has been provided by the applicant as part of the business case, capturing potential risks, mitigations and impacts. The risk register will be a live document, reviewed and updated regularly by the Project Manager throughout the project lifecycle.

### **D. Financial and other resources implications**

1. The project is seeking £8,487,332 capital funding from the North East Investment Zone in Financial Year 2026/27 to fund the internal fit out of the new building. The operational costs for the facility, to be funded by the recipient, total £5,757,666 over 5 years, with total project costs over this time period totalling £14,244,998.
2. Total investment in the project over 25 years, including the North East CA contribution and the recipient's funding, is forecast to total over £55m.
3. If this project is approved, the cumulative total funding allocated by the North East CA to Investment Zone projects will be £35,941,875, leaving £19,058,125 remaining from the initial flexible funding budget of £55 million. In addition, it is expected that the Investment Zone will benefit from future business rates receipts on the Business Rates Retention sites, with the first receipts expected in 2026/27.

### **E. Legal implications**

1. The Comments of the Monitoring Officer have been included in this report.

### **F. Equalities Implications**

1. The North East CA follows the [Public Sector Equality duty](#) and this report has due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010. An Equalities Impact Assessment for the Energy Academy project has been completed by the applicant.

### **G. Consultation and engagement**

1. Ongoing engagement and consultation has taken place with Local Authorities and members of the Investment Zone Advisory Board throughout the development of the Investment Zone programme.
2. Newcastle College have presented details of the Energy Academy expansion project to members of the Tyne Taskforce. The College's curriculum team will work alongside their Employer Advisory Boards and local businesses to ensure that training delivery at the new facility is relevant and responsive to industry needs.

### **H. Appendices**

#### Appendix A: Inward Investment Proposal

(Confidential and not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, Information relating to the financial or business affairs of any particular person (including the authority holding that information).)

### **I. Background papers**

[North East Combined Authority Cabinet 30<sup>th</sup> July 2024](#) - Strategic Portfolio Plans

[North East Combined Authority Cabinet 26<sup>th</sup> November 2024](#) – Investment Zone Wave 1 Projects

**J. Contact officer(s)**

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**K. Glossary**

IZ – Investment Zone

North East CA – North East Combined Authority