

## **Cabinet**

**10 June 2025**

(2.00pm)

Meeting held in: The Collections Room, The Story, Durham

## **Minutes**

**Present:** Mayor Kim McGuinness (Chair)  
Councillor Andrew Husband  
Mayor Karen Clark  
Councillor Tracey Dixon  
Councillor Martin Gannon  
Councillor Karen Kilgour  
Councillor Michael Mordey  
Councillor Glen Sanderson  
John McCabe, Business Cabinet Member  
Kate Burrows, CVS Cabinet Member

**In Attendance:** Councillor Colin Ferguson – Chair, Overview & Scrutiny Committee  
Dave Willis OBE – Chair, Audit & Standards Committee

### **C01/06/25 Apologies for Absence and Substitutes**

Martin Brookes CVS Cabinet Member, Kate Burrows attended the meeting as his substitute.

### **C02/06/25 Declarations of Interest**

There were no declarations of interest.

### **C03/06/25 Mayor's Announcements**

In her announcements Mayor Kim McGuinness:

- Introduced and welcomed the New Members to Cabinet: Councillor Andrew Husband (Durham) and Mayor Karen Clark (North Tyneside Council).
- Congratulated Sunderland AFC on their success in securing promotion to the Premiership.
- Raised the confirmation of securing £1.85bn of Transport Settlement funding, that would allow the extension of the metro to Washington and would be the first major change to the metro system in nearly three decades. The settlement would also ensure further investment in the local road network, highway repairs and cycle lanes, Electric Vehicle (EV) charging points and many more improvements. The Mayor stressed that the settlement was not the limit to the transport ambition of the combined authority and there was much more to do.

- The Mayor raised further good news that had been received from the Education Secretary Bridget Phillipson that the Government would extend Free School Meals to all families in receipt of Universal Credit, that would make a huge difference to families in the region and ensuring an estimated 90,000 children receive a nutritious daily meal.
- The North East region was the first in the country to launch a Child Poverty Reduction unit, providing extra childcare, providing children with a good start in life and allowing families to return to work. The Mayor informed Cabinet that a Child Poverty Reduction Plan would be considered at the next scheduled Cabinet meeting.
- Cabinet was informed that the Combined Authority was on course to receive an integrated settlement from Government, that would allow more freedom from Government. Further to that she had joined with the Council of Regions and Nations and Council of Mayors to call on Government to allow the introduction of a levy, an overnight charge on tourists, that would be invested directly back into major regional events that would attract more visitors to the region.

#### **C04/06/25     Minutes**

**Resolved** that the minutes of the meeting held on 18 March 2025 be confirmed and signed by the Mayor as a correct record.

#### **C05/06/25     Appointments to Cabinet, Committees, and other bodies**

Cabinet considered a report that set out details of appointments to Cabinet (including the allocation of portfolios), the Authority's committees and other bodies. It also set out the recommendations of the Independent Remuneration Panel following its review of the allowances payable to the Chair of the Audit and Standards Committee and the Independent Person appointed for the purposes of the standards regime.

The Mayor confirmed that the Police and Crime Commissioners would be invited to future Cabinet meetings as observers.

#### **Resolved that:**

##### **Cabinet**

1. noted the appointment by the constituent councils of the members and substitute members set out in Appendix 1;
2. agreed the allocation of Cabinet portfolios set out in Appendix 2 and agreed that authority be delegated to the Chief Executive, in consultation with the relevant Portfolio Holder and Mayor, to finalise the terms of reference and membership of each Portfolio Advisory Board;
3. agreed to invite as observers the Police and Crime Commissioner for Durham and the Police and Crime Commissioner for Northumbria (and authorised the Chief Executive to finalise these arrangements);
4. agreed the schedule of meetings for the municipal year 2025/26 set out in Appendix 3;
5. agreed the membership of the Overview and Scrutiny Committee set out in Appendix 4;
6. agreed the appointment of Councillor Colin Ferguson as the Chair of the Overview and Scrutiny Committee;
7. agreed the membership of the Audit and Standards Committee set out in Appendix 5;
8. agreed the appointment of members and substitute members to Transport for the North's Board, Partnership Board, Rail North Committee, Scrutiny Committee and General Purposes Committee set out in section 5 of this report, and authorised the Chief Executive in consultation with the Mayor and relevant portfolio holder, to make in-year changes to these appointments; and
9. agreed the recommendations of the Independent Remuneration Panel in respect of the allowances payable to the Chair of the Audit and Standards Committee and the

Independent Person appointed for the purposes of the standards regime as set out in section 6 of this report.

#### **C06/06/25      Overview and Scrutiny Committee Annual Report 2024/25**

Colin Ferguson, Chair of the Overview and Scrutiny Committee presented the Annual Report 2024/25. The Annual Report documented 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.

The Chair thanked all members and substitute members of the committee. He also thanked all officers who were involved in supporting the business of the committee's functions, noting that the public did not see the amount of work that was undertaken behind the scenes to ensure that, when committee meetings take place, the discussions add value.

He stated for the year ahead the committee would develop the work programme and strengthen the output in terms of policy development.

The Mayor expressed her thanks to Overview and Scrutiny Committee for all the hard work undertaken during the year and acknowledged the amount of work that had been presented to the committee to scrutinise.

A Cabinet Member stated that they welcomed scrutiny, and the committee had supported Cabinet to shape several policies and decisions over the past year and they looked forward to attending in the current year.

#### **Resolved that:**

The Overview and Scrutiny Committee Annual Report 2024/25 be noted

#### **C07/06/25      Audit and Standards Committee Annual Report 2024/25**

Dave Willis, Independent Chair of the Audit and Standards Committee, presented the 2024/25 Annual Report which documented 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.

Mr Willis emphasised that every meeting throughout the year was quorate and thanked members for their attendance and hoped that would continue in the future.

The Mayor expressed her thanks to the committee acknowledging the amount of work it had undertaken over the year.

#### **Resolved that:**

The Audit and Standards Committee Annual Report 2024/25 be noted

#### **C08/06/25      Delivering for the North East: Year One Delivery and Priorities for Year Two**

Cabinet received a report which provided an overview of key achievements in year one of the North East Mayor and Combined Authority and outlined the priorities for year two to deliver the short-term pledges set out in the Corporate Plan.

The Mayor stated that in the first year £0.5bn of funding had been signed-off, covering transport, housing, skills, culture, child poverty reduction and more that:

- enabled the establishment of the first Child Poverty Reduction Unit in the UK.
- delivered more than 1000 baby boxes,
- supported 4,500 pupils to take part in extracurricular activities.
- enabled the launching of the Mayor's Childcare grant to help parents back into work.
- supported organisations through the opportunity fund with more than £250,000 of grants.
- approved an Investment Fund Trailblazer programme that would create over 3000 jobs, and support almost 650 businesses to grow.

Work already undertaken for the second year of the combined authority included:

- £1.85bn secured for transport in the region
- secured funding to finish the restoration of the Tyne Bridge
- ambitious plans to launch a New Deal for North East Workers through the £50m connected to work scheme.
- the High Streets Commission
- rolling out new smart payment technology across public transport
- progressing the work to take buses back into public control.

Members welcomed the report and noted that, during its first year, the North East CA had;

- Launched 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.
- Approved £17m funding to support jobs and local communities through a new Environmental Stewardship, Coast and Rural Growth Investment Plan.
- Worked with partners to secure over 70 inward investments into the region that would create over 2,000 jobs, including £50m of investment from Japanese car firm Jatco, adding to the world-leading strengths in advanced manufacturing, car making and electric vehicles.
- Set 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 its wider jobs creation programme.
- Begun delivering Skills Bootcamps and Adult Skills provision that would support over 52,000 people with skills, training and back to work support.
- Provided £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.

In year two, the North East CA would:

- Launch the North East offshore wind programme, including the delivery of the £1m Technology Innovation in Green Growth for Offshore Renewables programmes.
- Launch 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.
- Bring together key regional stakeholders to form a Warm Homes North East Taskforce that would develop the long term strategy and action plan to ensure the tackling of cold, damp homes and fuel poverty, and prepare for devolved funding for retrofit by 2028.
- Finalise the region's Local Growth Plan and associated support for major inward investment.
- Continue to attract global trade and major inward investment projects to the region
- Prepare for the implementation of the Integrated Settlement from 2026-27.
- Launch the New Deal for North East Workers including the implementation of Shine, which would 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.
- Launch 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.

A member also gave thanks for the level of business engagement that had taken place in the combined authority's first year, stating business had a large part to play in supporting the Combined Authority's agenda.

**Resolved** that:

1. The progress made in year one be noted
2. The priorities for year two be noted.

### **C09/06/25     Opportunity for Everyone – Annual Equalities Report 2024-25**

Cabinet was informed that to make the North East the home of real opportunity, there was a need to see equality, diversity, and inclusion not just as values, but as economic imperatives, creating an economy that worked for everyone and ensured no one was left behind, where every individual could contribute to and benefit from the region's prosperity.

Cabinet received a report entitled 'Opportunity for Everyone' that included the new 2025-2028 Equality Objectives.

The report detailed the progress made against the year one equality objectives approved by Cabinet in 2024, and set out a set of longer-term equality objectives for the North East CA which would shape a more equitable future for the North East and lay the foundation for an economy that works for all, one that all would be proud to call home.

The new objectives reflected the Authority's roles as an employer, a commissioner and a convener and which were also aligned with the Socio-Economic Duty which was expected to come into force in mid-2026.

**Resolved:**

**Cabinet**

1. Endorsed the annual equality report
2. Approved the new equality objectives for 2025-2028.

### **C10/06/25     The Regional Approach to Fulfil Ambitions for the North East Visitor Economy**

Cabinet received an update report on proposals for a regional approach that would deliver on the ambitions for the regional visitor economy, following extensive consultation with Local Authority partners, Local Visitor Economy Boards, and industry.

The outcome of the engagement and feedback had directly shaped the proposals and approach in the report, and it was anticipated that engagement would continue as the new regional approach established itself.

The report covered:

- the regional context and the opportunity to grow and develop the regional visitor economy;
- the objectives for a strategic regional tourism function that would be delivered by a revised and re-designed NGI Ltd;
- the core functions to 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 was 'fit-for-purpose', providing value for money, and was structured to deliver the confidence of all partners, 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.

The approach was consistent with the CA's Corporate Plan, that was committed to strengthening regional identity and progressing a North East identity that enabled the realisation of the potential of the remarkable creative, cultural, heritage, sporting, and visitor economy assets. The new regional approach would directly contribute to Mayoral commitments and the CA's missions and the Interim Local Growth Plan.

Members welcomed the report stating that working in a regional context would not only benefit the region but also the local tourism offer. The approach would not only see greater regional inward investment, but significant wider and international tourism into the region. It was stated that all authorities in the north east region had a great cultural offer to support the visitor economy, and the investment proposed to promote the region demonstrated its ambition, and was welcomed.

### **Resolved:**

#### **Cabinet**

1. Noted the content of this report and agree the proposed approach.
2. Agreed that the North East CA should become a member of a repurposed NGI Ltd in place of the existing local authority members.
3. Agreed 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 the report and authorised the Chief Executive, in consultation with the Mayor, to finalise the terms on which this grant funding is to be provided.
4. Agreed to 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.

### **C11/06/25 Delivering the Mayor's Local Transport Plan**

Cabinet received a report that sought approval for the next phase of investment to assist in the delivery of the Mayor's Local Transport Plan (LTP). Cabinet was asked to agree £13.92 million across three programmes (Bus Stop Upgrades, Electric Vehicle Infrastructure and Connected Stations) utilising City Region Sustainable Transport Settlement (CRSTS) capital funding and to authorise £600,000 in CRSTS capacity funding for five preparatory studies to shape the forthcoming CRSTS2 programme.

Members welcomed the report, noting that the Northumberland train line had seen 300,000 journeys in its first 6 months of operation demonstrating the importance of public transport and increased use if it is good, reliable and value for money. It was stated that bus services in both urban and rural settings must be the same.

The need for progress in improving the region's road infrastructure to ensure the public, businesses and tourists can move around the region more easily was also raised.

### **Resolved:**

#### **Cabinet:**

1. Approved 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. Approved the revenue investments, as outlined in section 1.4 and set out below and authorised 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.

## **C12/06/25      Creating the Home of Real Opportunity – SHINE Employer Accreditation Programme**

Cabinet received a report that provided an update on the launch of the Shine Good Employer accreditation programme. Shine was an integral part of the New Deal for North East Workers (New Deal). The New Deal was the region's skills and employability plan. A key element was to become a good work region by inspiring employers to adopt and celebrate good work principles underpinned by Shine.

Shine would 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. Shine was created through lengthy engagement with employers and trades unions, and the scheme was aligned with regional priorities and reflected 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 would take place on 12 June 2025 followed by a series of information roadshow events encouraging employers to find out more.

The Combined Authority would use Shine to ensure that employers, particularly small and micro employers, could 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 supported the ambition for the creation and sustaining of entrepreneurial communities ensuring that the North East was a cohesive, inclusive, and resilient region where everyone thrives and can contribute to the region's success. The programme would be monitored to ensure activity met a range of positive outputs and priorities including an overall improvement of job quality over time.

Members welcomed the report and stated that the volunteer and charitable enterprises welcomed the initiative of the sector and would be promoting Shine, stating that the inclusive approach that enabled organisations no matter of size to gain parity of esteem was welcomed.

It was further stated that Shine was an excellent initiative, and evidence had shown that good work was good for employees, employers and productivity, supported absence rates, and aided employers to attract and retain talent. It was noted that the accreditation should not create further regulatory or cost pressure to businesses.

**Resolved:**

**Cabinet**

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

**C13/06/25      Brownfield Housing Programme Fund**

Cabinet received a report that provided an update on the North East Brownfield Housing Fund Programme that had secured over £49.2m of public investment to unlock over 2,989 homes and over 73.9 hectares of brownfield land.

The Ministry for Housing Communities and Local Government (MHCLG) had 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 was 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 set 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.

The report was welcomed and, it was noted that there were many brownfield sites requiring re-development in the region and that this was what residents who live near those sites wanted. The additional investment would deliver more much needed decent homes for residents and families.

**Resolved:**

**Cabinet**

1. Noted the progress made to date in respect of delivering the North East £49m Brownfield Housing Fund Programme.
2. Agreed 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. Agreed that the Chief Executive be authorised 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.

**C14/06/25      Home of the Green Energy Revolution: Newcastle College Energy Expansion**



Cabinet received a report that provided an overview of the progress on delivery of the North East Investment Zone.

The Energy Academy project formed 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. The project was 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 was a strong investment pipeline within the Investment Zone.

**Resolved:**

**Cabinet**

1. Approved 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 delegated 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. Approved 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 delegated 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.