

Cabinet

22 July 2025

(2.00pm)

Meeting held at: Dunston Activity Centre, Gateshead

Minutes

Present: Mayor Kim McGuinness (Chair)
Councillor Andrew Husband
Mayor Karen Clark
Councillor Tracey Dixon
Councillor Martin Gannon
Councillor Alexander Hay
Councillor Michael Mordey
Councillor Glen Sanderson
Emily Cox, Business Cabinet Member
Martin Brookes, CVS Cabinet Member

In Attendance: Joy Allen, Police & Crime Commissioner - Durham
Susan Dungworth, Police & Crime Commissioner - Northumbria

C15/07/25 Apologies for Absence and Substitutes

John McCabe, Business Cabinet Member, Emily Cox attended the meeting as substitute.
Councillor Karen Kilgour, Councillor Alexander Hay attended the meeting as substitute

C16/07/25 Declarations of Interest

There were no declarations of interest.

C18/07/25 Mayor's Announcements

In her announcements Mayor Kim McGuinness:

- Thanked all the Trustees and staff of the Dunston Activity Centre for hosting the meeting and the welcome received.
- Informed Cabinet of her recent visit to New York, USA, working and learning with 47 Mayors from across the world. The event was organised by Bloomberg Harvard City Leadership Initiative, and had looked at how to tackle similar concerns, including opportunities for young people, child poverty, creating interconnected transport systems and skills for jobs. The most important aspect was exploring solutions and sharing ideas to deliver change quickly around the region.

- Informed Cabinet that she had met with investors who were interested in the groundbreaking opportunities in the region including QTS Blackstone and others in relation to investment in Cambois, Northumberland and stated that it was a real sign that investors were interested in investing in the real opportunities of the region and discussions were to continue to make that happen.
- Reminded Cabinet of the secured £1.85billion investment to improve transport in the region, which would enable the extension of the Metro to Washington, the first new line in 30 years and the completion of the refurbishment work to the Tyne Bridge.
- Referred to the further investment that had been secured to replace the 40-year-old Metro signalling system and the go-ahead for the dualling of the A66 Trans Northern Pennine scheme that would be a massive boost to Durham and would connect the region to Cumbria. The investments were welcomed and the Mayor was committed to continue pursuing further funding for roads and the transport network across the region.
- Spoke of her visit to Turntide Technologies, an engineering and technology firm that had consolidated three areas of its business together onto one site in Gateshead. The company designed and manufactured innovative electric motors, power electronics energy storage and thermal management systems. The Mayor noted that battery technology had been pioneered in the region and was being used in many areas of day-to-day life including heavy construction vehicles, working in motorsport with McLaren, and manufacturing batteries that would go into the battery powered trains that would be built by Hitachi in Newton Aycliffe. The work was building on the other green energy initiatives and businesses at the Port of Tyne and the Port of Blyth that was seeing billions of pounds of investment that would create thousands of jobs and training opportunities.
- Informed Cabinet that she spoken to a classroom of Easington students who challenged what was being done to combat climate change. The Mayor emphasised that the Combined Authority had to act in the best interests of the future generation. The North East was leading the way for the green sector and was recognised across the world, it was already delivering jobs and opportunities.

C19/07/25 Minutes

Resolved that the minutes of the meeting held on 10 June 2025 be confirmed and signed by the Mayor as a correct record.

C20/07/25 Delivering the Mayor's Local Transport Plan

Cabinet received a report that sought authority to take forward several activities in the transport delivery plan using existing funding for the period leading up to 2027.

The allocation of £27.2 million of funding comprised

- £16 million of Bus Service Improvement Plan funding to support local bus services across the region through to March 2027.
- £6.3 million of TCR funding brought forward into the current delivery period with the agreement of the Chancellor of the Exchequer and the Department for Transport to fund the gap in the budget for the restoration of the iconic Tyne Bridge, ensuring that it would reopen in time for its centenary in 2028.

- £5.9 million of CRSTS funding for the North Shields Ferry Landing, ensuring a full funding package was available for the delivery of the scheme, a key enabler of the economic regeneration of the North Shields Fish Quay.

The report also recommended:

- Cabinet delegate approval to procure and award two concession contracts to replace and operate existing electric vehicle (EV) charge-points at 7 sites across the region, seeing up to 18 public charge points upgraded, enhancing the customer experience.
- The endorsement of the draft Key Route Network (KRN), a network of the most important local roads in the region based on their role as key transport arteries and their economic and spatial significance. Agreeing a draft KRN would ensure that the Mayor and Cabinet had a clear and reasoned road hierarchy to assist the co-ordination of investment, improve transport network performance and build a more sustainable and resilient regional network.

Members welcomed the £1.85 billion transport investment from Government and said that the funding would enable the delivery of the schemes in the local transport plan that would improve the connectivity across the region.

The investment to continue the link across the River Tyne through the investment in the North Shields Ferry Landing and the refurbishment work to the Tyne Bridge in time for its centenary in 2028 was crucial. It was also stated that there had been a need to update the Metro system for many years, and the investment secured by the Combined Authority demonstrated the progress to improve and expand the service to enable citizens from across the region to access attractions, employment, and training opportunities.

Cabinet resolved to:

Approve the capital investments outlined below, enabling the payment of funding and the establishment of Grant Funding Agreements with Nexus and Newcastle City Council:

- a. £6.3 million of capital funding, brought forward from the region's Transport for City Regions funding for the Newcastle City Council, Tyne Bridge Restoration project, subject to the receipt of written agreement from the Department for Transport.
 - b. £5.9 million of CRSTS capital funding for the Nexus North Shields Ferry Landing scheme
1. Approve £16 million of Bus Service Improvement Plan revenue funding to support bus services, in line with the financial allocations outlined in Section D of the report, enabling the payment of funding and establishment of Grant Funding Agreements with Nexus, Northumberland County Council and Durham County Council.
 2. Delegate authority to the Chief Executive to progress associated procurement activity and award two concession contracts to replace and operate electric vehicle charge-points on 7 sites outlined in Section 1.4 of the report.
 3. Agree the draft map of a North East Key Route Network (KRN), outlined at Appendix 1 of the report.

C21/07/25 New Deal for North East Workers

Cabinet received a report that presented the North East CA's employment and skills strategy, New Deal for North East Workers, which brought together employment and skills programmes in one five-year plan to make the region the home of real opportunity and drive delivery of the Mayor's Manifesto, the Local Growth Plan, and each of the five missions of the Combined Authority's Corporate Plan.

The New Deal for North East Workers set out the investment to remove barriers to success for business and workers alike. It recognised that the people of the North East were its greatest asset and by boosting skills and careers support, improving household incomes, and enhancing health and wellbeing would deliver a better quality of life and tackle child poverty. Employers would be able to recruit more of the skilled staff they need and invest in workforce progression to support and grow every part of our economy, from leisure and hospitality to advanced engineering.

The strategy was built with the input from skills providers, business, and trade unions. The four key aims being:

- ***Build a bigger, better skilled, and more diverse workforce***
All residents and employers should benefit from the same high-quality and consistent offer around training and development underpinned by an integrated, stable, and reformed employment and skills sector.
- ***Create career pathways that enable employers to recruit and retain skilled staff***
Make sure employers in our key growth sectors and the foundational economy can recruit from a diverse, stable, and productive workforce with a wide range of skills – and that employers offer good jobs with opportunities for progression to people from all backgrounds.
- ***Targeted support to improve employment rates for all residents***
Support residents with health conditions and disabilities, or other barriers, to develop their skills, find rewarding work and build productive, healthy, and independent lives. Inspire and encourage young people to grow up with the skills, confidence, and aspirations to reach their full potential.
- ***Tackling barriers that prevent residents getting into and getting on at work***
Give people from all backgrounds and from all parts of the North East access to the basic services and conditions they need to participate in education and training, including affordable child and social care, reliable public transport, fair wages, and secure employment terms.

It was noted that there would be ongoing engagement with Cabinet members, the North East CA Business and Economy Board, VCSE Leadership Board and other key partners and detailed action plans for each of the four priorities would be developed. It was anticipated that the New Deal for North East Workers would be launched in the Autumn, followed by a high-profile regional campaign and support programme to deliver the four priorities and strategic actions set out in the plan.

The Mayor encouraged everyone to engage in the consultation and to express their views, stating that there was a need to have a broad representation of the people from all parts of region to help shape the plan.

Cabinet resolved to:

1. Endorse the employment and skills strategy 'New Deal for North East Workers' (attached at Appendix 1) for launch in the Autumn, which would be followed by the development of detailed action plans for the 4 priority areas.
2. Approve the New Deal for North East Workers as the Authority's response to Government's requirement for a Local Get Britain Working Plan.
3. Delegate authority to the Chief Executive, in consultation with the Mayor and Portfolio Holder for the Home of Real Opportunity, to put in place appropriate measures to support the development and implementation of the four priorities set out in the plan.

C22/07/25 Child Poverty Reduction (Action plan and programme 2025-2030)

Cabinet received a report that set out a £28m delivery plan to reduce child poverty across the North East CA area, designed in partnership with local authorities, the voluntary and community sector, businesses, public services, families, and young people.

With one in three (120,000) babies, children and young people growing up poor across the North East CA area, poverty and hardship were limiting the life chances and outcomes of too many - and their ability to benefit from everything the region had to offer.

Tackling child poverty was the Mayoral number one priority, and the North East CA Cabinet approved the establishment of the North East Mayor's Child Poverty Reduction Unit (CPRU) in September 2024. Cabinet had endorsed the proposal to convene a regional Child Poverty Reduction Summit and to co-produce a long-term action plan in partnership with local authorities, the voluntary and community sector, and families and young people.

Since then there had been extensive engagement and evidence-gathering and the CPRU had developed a comprehensive five-year Child Poverty Action Plan (2025–2030). The plan sets out a bold programme of activity, serving as a strategic economic intervention, tackling poverty to unlock regional productivity and inclusive growth.

The Child Poverty Action Plan was the result of deep engagement with local authorities, the voluntary and community sector, businesses, public services and, significantly, families and young people. A considered, coherent plan had been developed, making use of an innovative 'test and learn' approach and acknowledged the need to avoid duplication and bring additionality to current efforts across the system. Comprising some 36 interlinked projects and sub-projects, each element of the plan contributed to a strategic economic intervention designed to tackle child poverty and unlock inclusive regional growth.

The report included an investment proposal that sought Cabinet's approval to launch the first phase of delivery, ensuring that the North East CA would lead the way in tackling child poverty through targeted, evidence-led action including three test and learn pilots for the regional approach to tackle child poverty.

Members welcomed and endorsed the report and the Action Plan, and thanked staff and volunteers from the many organisations who had contributed. Cabinet recognised their time, insights, and knowledge in the co-development of the action plan stating that their work would improve the lives of people and children across the region. It was stated that it was a significant step forward in helping the poorest children in the region.

It was also noted that there was wide consultation across the region with the volunteer and community sector and the North East Child Poverty Commission, and it was recognised that the voluntary sector would play an important part in the delivery of the plan.

From the Police and Crime Commissioner perspective it was known that poverty, worklessness, homelessness and lack of access to training and good paid jobs contributed to an increase in crime levels. A commitment was made that the PCC would work to look to how they could help, particularly with young people and women in the region, to aid them to rise out of poverty and play their part in our society.

The Mayor, on behalf of herself and Cabinet acknowledged and thanked the whole officer team who were responsible for the development of the Child Poverty Reduction Action plan and programme 2025-2030.

Cabinet resolved to:

1. Endorse the Child Poverty Action Plan (2025–2030) as a strategic framework for regional collaboration and investment.
2. Approve the allocation of £28,630,608 for a four-year delivery period from the NECA Investment Fund to deliver the Child Poverty Reduction Programme (2025–2029).

3. Delegate authority to the Director of Skills, Inclusion and Public Service Reform, in consultation with the Monitoring Officer and Chief Finance Officer, to approve commencement of procurement and grant-making arrangements necessary for programme delivery.
4. Delegate authority to the Chief Executive to award contracts and grants to deliver the programme in accordance with the North East CA procedures including the single assurance framework.

C23/07/25 Budget Update: 2024-25 Outturn and 2025-26 Budget Reporting Update

Cabinet received a report that provided an update on the provisional outturn position of the 2024-25 financial year, and a look ahead to reporting against the 2025-26 budget.

The North East Combined Authority had performed within its revised budget allocation for 2024-25. It had previously reported that there had been an underspend on certain elements, both for corporate overheads and revenue and capital projects.

Over the financial year 2024-25, the North East CA operated in accordance with the approved Treasury Management Strategy, and it had complied with its legislative and regulatory requirements. The cost of operating the Authority's treasury management activities did not exceed the budget set for the year.

The report also presented details by directorate of the initial budget plans for 2025-26 to Cabinet. The budget was split between the corporate overheads required to run the Authority and the initial service delivery plan covering revenue and capital programmes.

The report also detailed the planned financial reporting timetable to Cabinet during 2025-26.

Cabinet resolved to note:

1. the outturn for the financial year 2024-25;
2. the initial budget position for 2025-26;
3. the planned budget reporting timetable for 2025-26; and
4. the Treasury Management outturn for 2024-25.

C24/07/25 Centre for Writing

Cabinet received a report that set out proposals to facilitate the establishment of the Centre for Writing in Newcastle in a major £2m investment. It was a key part of the ambition to create new opportunities and careers for local people in the creative industries. The Centre would attract national publishing businesses to the North East and be a focal point for the next generation of northern writers - a place where people from the region could discover, develop, and fulfil their creative potential.

The Centre for Writing would cement the region's place as a national centre for writing and literature. It would forge links with and complement award-winning attractions that inspired children and young people, and champion the benefits and thrill of reading and writing, including *The Word*, the National Centre for the Written Word in South Shields; *Seven Stories*, the National Centre for Children's Books in Newcastle; and *The Story*, which opened in Durham in 2024.

The North East Combined Authority was driving development of the Centre for Writing with New Writing North and Northumbria University, Newcastle City Council, local businesses, and some of the country's largest publishers including Hachette UK and Faber and Faber. The Centre would support writing and reading initiatives in the community as well as professional writers and publishing businesses across the region. It would be the first centre of its kind with a cross-section of partners from the arts, academia, media, and publishing industries.

The report covered the ambitions and objectives for the proposed Centre for Writing; and the proposed approach to delivering the Centre for Writing and the investment required.

Cabinet resolved to:

1. Agree to provide New Writing North Ltd with £2m of funding from the North East CA Investment Fund. The investment would support the acquisition of a city-based property in Newcastle and its redevelopment into the Centre for Writing on the basis set out in this report; and
2. Authorise the Chief Executive, in consultation with the Mayor and the Portfolio Holder, to finalise the terms on which the grant funding would be provided.

C25/07/25 A North East Spatial Development Strategy

Cabinet received a report that sought support to commence the development of a North East Spatial Development Strategy (SDS). The English Devolution and Community Empowerment Bill proposed that all Mayors must prepare and maintain a robust SDS. An SDS would ensure delivery of the Local Growth Plan and help to drive investor confidence in the region by mapping out and agreeing the region's spatial growth priorities and infrastructure requirements.

The North East CA aimed to have an SDS and be an 'early adopter', signalling to investors and government that the region was ready and focused on growth, leveraging further funding and investment to bolster infrastructure for the benefit of the region's businesses and communities.

The North East Devolution Deal provided the powers to develop an SDS. An SDS would set the clear long-term vision-led ambitions for a place and would aid the region to implement national scale objectives and priorities to support long-term prosperity.

An SDS would integrate spatial objectives with environment, climate, economic and health objectives: from housing, transport, and utilities, to governance, environmental protection, and economic resilience.

The report set out the principles, resource requirements and anticipated times associated with delivering an SDS for the North East.

It was stated that it was known that community spaces were not always used to their full potential due to patrons feeling unsafe; the development strategy would consider how space can be designed to ensure people did feel safe.

It was emphasised that the planning decisions would continue to be made at the Local Authority level through their Planning Committees, ensuring residents continue to have a voice in the decision making of their local areas. The importance and benefits of having a strategic view across the region were also emphasised.

Cabinet resolved to:

1. Note the requirement for the Combined Authority to prepare and adopt a Spatial Development Strategy for the region and the ambition to do so by 2028;
2. Note the next steps as set out in the report on the governance arrangements to support the development of the Spatial Development Strategy including the Project Initiation Documents and Implementation Plan.

3. Approve an allocation of up to £1.5m of resources from the Investment Fund to support the work and to delegate approval of the recruitment, delivery, and procurement arrangements to the Chief Executive, in line with the Single Assurance Framework Process.
4. Authorise the Director of Finance and Investment to accept opportunities for any bids or awards of Government funding to support this work, reducing the call on the Investment Fund;