



North East Combined Authority

DURHAM • GATESHEAD • SOUTH TYNESIDE • SUNDERLAND

Overview and Scrutiny Committee

Thursday 16 March 2023 at 2.00pm

Meeting to be held at: Committee Room 1A, Durham County Hall, DH1 5UZ

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AGENDA

Page No

1. Apologies for Absence

2. Declarations of Interest

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.

3. Minutes of the previous meeting held on 15 December 2022 **1-8**

Minutes for approval as a correct record.

4. North East Devolution – Update **9-18**

5. Working Group Update **19-24**

6. Forward Plan and Scrutiny Work Programme Update **25-33**

7. Date and Time of Next Meeting: 20 July 2023 at 2.00pm.
(To be agreed at AGM)

Contact Officer: Toby Ord
Tel: 0191 424 7541
Email: toby.ord@northeastca.gov.uk

North East Combined Authority Overview and Scrutiny Committee

DRAFT MINUTES TO BE APPROVED

15 December 2022

(2.05pm – 3.20pm)

Meeting held at: Committee Room 1, Sunderland City Hall, SR1 3DP

Present:

Independent Members: Mr D Taylor-Gooby (Chair), Mr S Hart (Vice-Chair)

Councillors: Elmer, Hall, Hartnack (left at 2.30pm), Shaw, Snowdon, Wallace

Also Present:

Stephen Gwilym (Principal Overview and Scrutiny Officer, Durham County Council), Eleanor Goodman (Finance Manager, NECA), Gavin Armstrong (Policy and Scrutiny Officer, NECA), Michelle Rainbow (Skills Director, NELEP), Eleanor Haisell (Programme Manager, NELEP), Toby Ord (Strategy and Democratic Services Assistant, NECA)

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Eagle, Cllr Flynn, Cllr Kilgour, Nicola Robason and Paul Darby.

2 DECLARATIONS OF INTEREST

Councillor Hall declared an interest in Item 5, 'Working Group Update', as the Chair of the North Integrated Care Partnership. There was no subsequent inhibition to speak on the matter.

3 MINUTES OF THE PREVIOUS MEETING HELD ON 7 JULY 2022

The minutes of the previous meeting held on 7 July 2022 were approved as a correct record.

4 NORTH EAST LOCAL ENTERPRISE PARTNERSHIP – DRAFT DIGITAL INCLUSION STRATEGY

Submitted: Report of North East Local Enterprise Partnership (previously circulated and copy attached to the official minutes).

The Skills Director and Programme Manager circulated printed copies of their presentation at the meeting which gave a brief summary of the LEP's digital inclusion strategy.

The Skills Director opened, noting that the strategy had been constructed off of the back of research provided through the LEP which identified the North East as the worst affected region for digital exclusion, a few reports on which have been recognised by the Government suggesting that this is an issue the Government are considering with regards to funding activities. It was noted that the LEP Skills Advisory Panel was requested by the NTCA and NECA Leadership Board to progress these findings and develop a strategy which was holistic and inclusive, with key recommendations included.

Members from the LEP stated their commitment to acquiring funding through the UKSPF, the Levelling Up Fund or through a devolution deal. The LEP believes they have produced a comprehensive business case for partners such as NECA to put forward should the opportunity present itself. The Committee was reminded that the LEP's role as facilitator requires it to disseminate findings from aforementioned research as widely as possible in order to emphasise the issue at hand, though without a comprehensive strategy this is near impossible.

Following some questions regarding the nature of the research, it was clarified that it was conducted by New Skills Consulting (NSC) on behalf of the LEP, concerning its focus on the who and why regarding digital exclusion. NSC worked with organisations who were already tackling these issues in order to understand the aforementioned, with initial research being conducted through talks with those currently suffering digital exclusion.

Moving onto their strategy, the Programme Manager informed the Committee that the LEP began by looking at provision; what was already provided in an effort to address the issue. They quickly recognised that those on low income or with little to no educational skills were among the worst affected. It was evident that there was much activity centred around clusters of funding, leading to more rural or disparaged areas / social groups to fall into further exclusion. For example, many schemes target low paid workers looking to progress due to lots of funding schemes surrounding employment, leading to groups such as those in retirement receiving a lack of support.

It was noted that there are many organisations across a plethora of sectors working on the issue of digital inclusion, though these often fly under the radar; organisations who support care leavers, veterans and the homeless, provide services and skills supporting digital inclusion, though these denominations are not ‘ticking the digital inclusion box’. From this, and further consultation, it was concluded that there is a real lack of coordination, coherence and integration on the matter.

The Programme Manager clarified that lots of organisations have their own strategies and digital plans; the LEP’s strategy isn’t looking to overwrite these, but rather looking to sync work between and alongside authorities. Following this, comments from the Head of respective Digital Teams have been included.

Included in the strategy was a journey in understanding digital barriers and the progression through these. Infrastructure was said to be an essential step so that users have initial access to digital services, including GP and housing services. It was also said to be important for building a higher skills level, which links into the skills for growth plan. Barriers which are said to prohibit ‘best work’ for were identified, these include the aforementioned coordination and integration. Subsequently it was noted that there need to be a minimum set of minimum standards; making sure devices fit for purpose, or whether it connects to a wider skills agenda, and an included acknowledgement of the extent to which people want to develop their skills. Such strategies are closely linked with UKSPF and Levelling Up funding cases. The strategy in question has been aligned with the outputs of the UKSPF as well as goals of the Levelling Up Whitepaper.

Dissemination was noted as a big focus, with economic directors across the LA7 being consulted alongside digital teams. The strategy will be presented to the LEP Board once the business case is finalised, having been in production for a year. It was noted that it was a pleasure to see digital inclusion denoted a priority in the UKSPF. A coordinated regional approach remains the preference and talks to progress such an approach will be conducted wherever possible.

A Member asserted that children leaving school aged 16-18 should already be equipped with the necessary digital skills, though members from the LEP reminded the Committee that an assumption of ability is harmful and should not be made. Many families share devices and subsequently have very little access, and little to no personal use. These devices aren’t always suitable for the development of digital skills, and many locations also lack internet connection; only twelve out of seven hundred homes in the Byker Wall Estate have internet.

It was also clarified that non-digital routes for services such as job applications so that those who are digitally excluded can access services offline, though it was noted that submitting applications and accessing services online is much quicker and easier for applicants and users.

The LEP also clarified that 'easy to reach' groups are not the sole focus of the strategy; a series of projects are being devised targeting the hardest to reach groups with respect to digital exclusion; knocking door groups have been dispersed across small communities in Durham, with similar projects looking to be replicated elsewhere in the region. These projects are being continually monitored to measure achievement, though there is ongoing resistance in many, particularly the older generations. It was emphasised that this is a generational issue with no short term fix.

A Member noted that 38% of children in Sunderland alone are living in poverty, another barrier for those likely already digitally excluded. Members from the LEP concurred that the cycle of impoverished families is getting worse, only emphasising the necessity for support. Issues of accessibility were also noted, especially due to devices being provided to children during the pandemic without plans for connectivity. It was said to be essential that we inch forward on such issues and address them proportionately.

Another Member queried where the preference for a regional approach arises from, to which the members from the LEP responded by stating their focus on measuring impact and achievements. It was said that requesting information could become an arduous task should the Government take a central approach to the issue, and local programmes and organisations are already making good efforts in tackling the issue. The LEP would not want risk this progress being overwritten nor undermined.

In response to further questioning, the members from the LEP clarified that digital skills are attained much more effectively through 'stealth' as opposed to direct teaching. Media Savvy were said to be an organisation who undertake good work on Maths, English and Digital Skills provision, taught through other means such as health and social care. This is exemplary of how broader skillsets are embedded in other skills.

The Committee thanked the two members from the LEP for their comprehensive presentation.

AGREED – That:

- i. the report and presentation be noted.

5 WORKING GROUP UPDATE

Submitted: Report of the Policy and Scrutiny Officer (previously circulated and copy attached to the official minutes).

The Vice-Chair opened up the discussion, giving a brief update on the state of the Working Group.

Members were made aware that the projects initiation has been completed, with the Committee agreeing upon a project outline and a programme of work as the Group moves into the evidence gathering phase. It was conceded that the Group is slightly delayed due to a combination of difficulty in progressing some works, as well as the Scrutiny Officer's illness inhibiting his role as a liaison. It was noted that work produced needs to align with other ongoing work in the region.

Important considerations regarding the Director of Public Health were said to be underway, with a stress on health and wellbeing. The Vice-Chair continued to emphasise the importance of aligning this work, as well as aligning resources, as this could produce important evidence. The anticipation was said to be that clearance of the undertaking of work will lead to more important decisions being made moving forward into the new year.

The Vice-Chair noted that he and the Scrutiny Officer are looking at independent advice and perspectives, and how independent evidence can be incorporated into the working group. Local universities were noted as a possible resource due to it's work already aligning with the interests of the group. There is also advice being received regarding obtaining workforce related info through the NHS, on a regional basis, though this can often be difficult to acquire. The aforementioned group 'Media Savvy' was also denoted as a possible point of interest.

The Working Group is anticipated to reconvene early in the new year, with discussions from Director's of Public Health and Economic Leads also anticipated. The full project is anticipated to get back on track, though the initial deadline for report completion may require a delay till September (originally July 2023).

The Chair noted that there has also been some interest from independent academics. With this comes the possibility of assisted funding.

The Principal Overview and Scrutiny Officer informed the Committee that resources from Integrated Care Boards can be accessed through the NHS website, detailing the issues experienced by larger public bodies such as Local Authorities and the NHS itself, as well as the social values such bodies provide.

Further details on the Working Group will be circulated privately by the Scrutiny Officer in Early 2023.

AGREED – That:

- i. the report be noted.

6 FORWARD PLAN AND SCRUTINY WORK PROGRAMME UPDATE

Submitted: Report of the Policy and Scrutiny Officer (previously circulated and copy attached to the official minutes).

The Policy and Scrutiny Officer gave his routine work programme update, asking Members to take the written report as read, and reminding them that this is a living document. Should anything be requested to be added, removed or altered in any way, the Scrutiny Officer should be contacted.

AGREED – That:

- i. the report be noted.

7 NECA BUDGET PROPOSALS 2023/24

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

The Finance Manager for NECA delivered the report, briefing members on updated proposals for the NECA budget.

It was noted that indicative aspects of the budget were presented to the Leadership Board, the report of which is appendaged to the cover report. There have been some additional costs with a deficit of £3,000, met in-year from corporate reserves, though all forecasts set out within the Medium-Term Financial Strategy are in line.

There remains a forecast deficit, subsequent to increased levels in cash balances, with next year's budget retaining the ability to unchanged constituent Council contributions of £10,000 per Authority.

The Chair queried the amount of money allocated to projects is received from the LEP, though it was clarified that NTCA is the responsible body for the LEP and therefore this isn't included within NECA Budget Proposals, and subsequently this isn't within the Overview and Scrutiny Committee's remit.

AGREED – That:

- i. the report be noted.

8 DATE AND TIME OF NEXT MEETING

16 March 2023 at 2.00pm.

Overview and Scrutiny Committee

Date: 16 March 2023

Subject: North East Devolution - Update

Report of: Nicola Robason – NECA Monitoring Officer (Core)

Executive Summary

The purpose of this report is to summarise the “minded to” devolution deal for the North East. The report also outlines the findings of the governance review and the process and timeframes for Local Authorities to progress with the necessary statutory procedures, including public consultation.

The “minded to” devolution deal for the seven councils across the North East (i.e. Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland Councils) would see a significant shift of powers, funding and responsibility which would enable the Councils to pursue their ambitions for inclusive growth.

To implement the deal, the Councils will need to establish a new mayoral combined authority which covers the area of the seven Councils and replaces the two existing combined authorities in the region, including the North East Combined Authority. This report sets out the findings of a statutory review regarding these proposed governance changes and finds a strong rationale to build on existing collaboration, delivery and success by creating a new Mayoral Combined Authority.

In January 2023, the seven Local Authorities were satisfied with the findings of the governance review, and all agreed to publish a scheme in respect of the proposals and undertake 8 weeks of public consultation.

Recommendations

The Overview and Scrutiny Committee is recommended to:

- note the “minded to” devolution deal as endorsed by all seven Local Authorities (see Appendix 1, Annex A), NECA and NTCA, and;
- note the findings by the seven Local Authorities of the governance review (see Appendix 1) regarding the proposed creation a new mayoral combined authority for the North East region.

Overview and Scrutiny Committee

1. Background Information

- 1.1 On 28 December 2022 HM Government announced a “minded to” devolution deal with the seven councils across the North East (i.e. Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland Councils, collectively “the Council’s”).
- 1.2 The deal would see a significant shift of powers, funding and responsibility which would enable the Councils to pursue their ambitions for inclusive growth. In total, it would provide £4.2 billion of additional investment to the region over 30 years, including a £1.4bn investment fund alongside significant funding for transport, education and skills, housing and regeneration. This will enable investment into projects which reflect local needs and opportunities, making a real difference for our residents, communities, and the local economy.
- 1.3 To implement the deal, the Councils will need to establish a new mayoral combined authority which covers the area of the Councils and replaces the two existing combined authorities in the region. This report sets out the findings of a statutory review regarding these proposed governance changes as agreed by the Council’s.
- 1.4 The “minded to” devolution deal has emerged from serious and passionate cross-party, cross-regional leadership during the coronavirus pandemic. As well as providing policy leadership in the response to COVID19, the Leaders and Mayors of the North East worked together on substantive recovery plans. They worked with partners across business, academia, the community and voluntary sector and with the people of the North East to set out what a North East, built back better and fairer, would look like.
- 1.5 The “minded to” devolution deal sets out the offer of powers and budget from Government and the reforms and measures that the Councils would need to deliver. The deal would see a significant shift of powers, funding and responsibility which would enable the Councils to pursue their ambitions for inclusive growth. In total it would provide £4.2 billion of additional investment to the region over 30 years, including a £1.4bn investment fund alongside significant funding for transport, education and skills, housing and regeneration. The deal is the culmination of a process of negotiation with Government which commenced when it became clear that additional funding and powers – including access to the City Regional Sustainable Transport Fund – could only be unlocked through a regional devolution deal.
- 1.6 A copy of the minded to devolution deal that has been endorsed by the Councils is included at Appendix 1, Annex A. The key elements of the deal can be summarised as follows:

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Bigger and better – demonstrably adding value in relation to the existing devolution deal for the North of Tyne area and bringing new resources and powers – and significant private sector leverage – into the North East region. It recognises the huge value of integrating economy, skills, transport, housing and public sector reform.

Reduced carbon, reduced inequality – with the green agenda clearly woven through the deal, and shared principles of inclusive growth, addressing disparities and bringing communities together in a smart, skilled and sustainable region.

Bold on the rural economy – setting out clear intentions to accelerate rural growth and looking at the opportunities of the Northumberland Line, rural housing, rural stewardship and net zero transition – including through a Rural Growth and Stewardship Board

Amplifying the North East's global assets – through a clear focus on the region's growth corridors, 3 ports, gigafactories, an international airport, and globally-facing cities and historic town centres. A world-leading 'Arc of Green and Blue Energy Innovation' from OREC to Nissan and home of the next-generation electric vehicle industry and the only science park nationally, NETPark in Sedgefield County Durham, to host 2 centres from different Catapults.

Balancing growth and prevention – by bringing forward fiscal innovation, working on a public service reform programme, greater influence within the integrated care system.

Transforming connectivity – using a full package of devolved transport investment and powers to create an integrated transport system, including the potential unlocking of visionary schemes, such as, the Northumberland Line, Leamside Line and Washington Extension, Cobalt Loop, Team Valley, Newcastle City Mobility plans and a region-wide EV charging network.

Attacking the opportunities of digital and 5G – providing strong incentives for investment in digital connectivity, 5G-ready infrastructure, digital skills and unlocking the huge potential of digital-enabled manufacturing.

Connecting our coastal areas – using devolved funding and powers to better link our unique coastal communities and economic assets – through skills, jobs and accelerating development on our housing and economic sites.

Building on strong collaborative governance – ensuring each of the partners can see the benefits of cross-regional investment, and that decisions are made in a way that reflects our diverse geography, assets and needs.

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1.7 The endorsement of the minded-to deal by the Councils represents a significant step towards securing important decision-making powers and investment for region. The new mayoral Combined Authority would also be able to make decisions that reflect local needs and invest into projects that will make a difference for North East residents, communities and local economy.

1.8 Furthermore, it could be the first step in a process of further devolution, and the North East could potentially deepen their devolution arrangements over time. It is proposed that the government and North East would commence negotiations on trailblazer provisions which deepen and enhance the powers in the deal in early 2023, drawing on the arrangements in Greater Manchester and West Midlands when concluded, with a view to these powers being in place as soon as possible after the first mayoral election in May 2024. The government will also continue to work with the North East on important areas of public service reform and infrastructure investment, to support inclusive economic growth in towns, cities and rural areas whilst tackling climate change, on our journey to 2030.

1.9 **A new mayoral combined authority**

Whilst the deal has been supported by all the Councils, its implementation will depend upon the creation of a new mayoral combined authority which covers the whole of the North East region, i.e. the area of all 7 Councils. This would require the Secretary of State to make a statutory order under the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) to:

- a. abolish the existing 2 combined authorities i.e. NECA (which covers the areas of Durham Gateshead South Tyneside and Sunderland) and NTC (which covers the areas of Newcastle, North Tyneside and Northumberland); and
- b. create the new mayoral combined authority for the North East region (which, it is proposed, will be called the North East Mayoral Combined Authority or NEMCA).

1.10 **Governance review**

As the first stage in the process of seeking the statutory order to create the new combined authority, the 7 Councils undertook a governance review in accordance with sections 108 and 111 of the 2009 Act to establish whether the governance proposals set out in the previous paragraph would meet the necessary statutory criteria, namely that the proposals would improve the exercise of statutory functions in the region.

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1.11 A report setting out the findings of the governance review is attached at Appendix 1 to this report for information. The review found a strong rationale to build on existing collaboration, delivery and success by creating a new Mayoral Combined Authority. It concluded that:

- Current regional governance arrangements – based on a combination of a Mayoral and a non-Mayoral Combined Authority and a Joint Transport Committee – do not represent the best model in terms of delivering the long-term ambitions of the authorities within the area for economic growth and delivery of public services.
- The new Combined Authority would extend the benefits of devolved funding for investment, skills and housing, previously secured by the North of Tyne MCA, over the full regional geography. In addition, it would also unlock new funding and powers, including over transport, across the whole region.
- There is limited practical scope for the existing governance arrangements to be meaningfully strengthened, short of adopting the Mayoral Combined Authority (MCA) model of governance.
- A change is required to enable the Councils to pursue their economic and social policy agenda at greater pace.

1.12 On the basis of these findings, the review concluded that the relevant statutory criteria had been met. Specifically, that the move to a single mayoral combined authority would improve the exercise of statutory functions across the region, whilst also having a positive impact on the interests and identities of local communities and helping secure more effective and convenient local government by reducing complexity and streamlining the delivery of public services. This was agreed by all of the Councils during the week commencing 16 January 2023.

1.13 **The Scheme and public consultation**

As the Councils were satisfied with the findings of the governance review, the next stage is for the Councils to publish a scheme in respect of the proposals. A draft of the scheme is attached as Annex B to the governance review at Appendix 1 to this report. In brief, the scheme explains how the new mayoral combined authority (“NEMCA”) would be constituted, who would be appointed to NEMCA, what functions it would have and how it would make decisions on the exercise of those functions.

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- 1.14 As set out in the scheme, it is expected that the first election for the new Mayor of the new Combined Authority would take place in May 2024, when NEMCA would come into existence. The Mayor would make decisions on certain functions – see section 3 of the scheme. NEMCA’s Cabinet would make decisions on all other matters. The Cabinet would comprise the Mayor, a member from each of the 7 Councils, a representative of the business community and a representative of the voluntary and community sector. Only the Mayor and the representatives of the 7 Councils would have a vote on Cabinet decisions. Most decisions would be made by way of a simple majority vote, save for the exceptions set out at section 2.6 of the scheme.
- 1.15 As agreed by all of the Councils, the scheme will now be published for the purposes of public consultation. The consultation period will last for a period of 8 weeks and end on 23 March 2023. The consultation process will include on-line and face to face engagement across the region and include a number of questions (which have been shared with central government) to seek views on the proposals.
- 1.16 At the end of the consultation period, the Councils will prepare a summary of the consultation responses received. This will include an analysis of the issues arising from that consultation and any submissions which it is proposed that the Councils should make in response to those issues. A further report will be brought to Cabinets of all seven Councils before the summary of the consultation responses and any proposed submissions on behalf of the Councils are sent to the Secretary of State.
- 2. Proposals**
- 2.1 It is proposed by the Councils that the creation of a new mayoral combined authority for the North East region would unlock the benefits of the minded to devolution deal and improve the exercise of statutory functions across the region.
- 2.2 Publishing the scheme for consultation is the next step needed to establish the mayoral combined authority for the region and access the benefits of devolution. In addition to the economic and social impacts set out above, it is expected that the new mayoral combined authority would also provide:
- strong and visible collective leadership of the area recognised by government with direct democratic accountability and transparency, able to influence national decision making for the benefit of the area and access initiatives only available to mayoral combined authorities;

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- alignment of decision-making at a strategic level across a broad range of statutory functions and through a coherent strategy and investment programme; closer working across the wider public sector on integrating functions and services and providing innovative solutions to the challenges of reducing financial resources; and
- strengthened capacity through a combined and co-located resource supported with better information and analysis.

3. Next Steps and Timetable for Implementation

- 3.1 The Cabinets of all 7 North East Councils have all considered reports regarding the minded to devolution deal, the governance review and the proposed scheme. All seven Councils have endorsed the deal and have agreed that the scheme will be published for public consultation across the region.
- 3.2 Following that consultation, the Councils will consider views received and, if they wish to proceed with the creation of a new mayoral combined authority, prepare a summary and analysis for submission to the Secretary of State.
- 3.3 The Secretary of State will then decide if the statutory criteria have been met and whether the relevant authorities have given the necessary consents, before making the statutory order to create the new mayoral combined authority. It is envisaged that the new mayoral combined authority would come into existence in May 2024 at the point at which the mayoral election will take place.

4. Potential Impact on Objectives

- 4.1 As set out in this report, the creation of a new mayoral combined authority for the North East region would unlock the benefits of the minded to devolution deal and improve the exercise of statutory functions across the region. It would also abolish the North East Combined Authority.

5. Financial and Other Resources Implications

- 5.1 Implementing the devolution deal would enable the region to access over £4bn of funding over a 30 year deal cycle, together with new powers to better shape local skills provisions to ensure these meet the needs of the local economy. This would include devolution of adult education functions and the core adult education budget, as well as input into the new local skills improvement plans. Over time the region would also expect to benefit from access to additional funding streams reserved for mayoral combined authorities. Detailed discussions will be progressed with the

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existing combined authorities and the other constituent authorities regarding the financial arrangements associated with the transition to the new arrangements.

6. Legal Implications

- 6.1 The NECA Monitoring Officer (Core) has contributed to the drafting of this report and the legal implications are set out in the report and appendices.

7. Key Risks

- 7.1 For the reasons set out in the attached governance review report and above, it is considered that the failure to establish NEMCA risks the region falling behind other major city regions such as Greater Manchester, Liverpool City Region and Tees Valley, which have received new powers and funding. In terms of establishing NEMCA, the key risk is that the Secretary of State will not be satisfied that the statutory criteria are met and/or that the necessary consents from the affected bodies are not forthcoming. In order to mitigate these risks, it will be important for the seven Councils to consider and respond to issues raised in the consultation process.

8. Equality and Diversity

- 8.1 In developing these proposals, the Councils have taken account of their obligations under section 149 of the Equality Act 2010 (i.e. the public sector equality duty). It is not expected that the proposals described in this report will have any adverse impacts on people with protected characteristics. Indeed, the aim of promoting inclusive growth within the region is expected to boost the efforts of its constituent authorities to advance equality of opportunity and foster good relations between different groups. The Councils will continue to assess their responsibilities in this regard and ensure that the equality impact assessment will be reviewed throughout the process.

9. Crime and Disorder

- 9.1 There are no crime and disorder implications arising from this report.

10. Consultation/Engagement

- 10.1 The consultation process for the Councils is outlined above and Appendix 1, Annex B – Draft Scheme for public consultation

11. Other Impact of the Proposals

- 11.1 The green agenda is a critical element of the minded to devolution deal

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and therefore the governance changes proposed by the Councils as set out in this report, if implemented, would help to deliver those initiatives identified in the minded to deal.

12. Appendices

- 12.1 Appendix 1, Annex A - "minded to" devolution deal dated 28 December 2022
Appendix 1 - Governance Review Report
Appendix 1, Annex B – Draft Scheme for public consultation

13. Background Papers

- 13.1 The following is a list of the background papers (excluding exempt papers) relied upon in the preparation of the above report:
Appendix 1, Annex A - "minded to" devolution deal dated 28 December 2022
Appendix 1 - Governance Review Report
Appendix 1, Annex B – Draft Scheme for public consultation

14. Contact Officers

- 14.1 Nicola Robason, Monitoring Officer (Core), E-mail
Nicola.robason@Southtyneside.gov.uk , Tel: 0191 424 7186

15. Sign off

- 15.1
- Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓

16. Glossary

- 16.1 NEMCA – North East Mayoral Combined Authority

Overview and Scrutiny Committee

Date: 16 March 2023
Subject: Working Group Update
Report of: Policy and Scrutiny Officer

Executive Summary

This report provides members of the Overview and Scrutiny Committee with an update from the working group on to understand the current threats and pressures, and mitigations, to the delivery of strategic objectives relating to health and wellbeing, ability to work and prosper and to deliver on economic development and regeneration ambitions.

Senior health and social care and economic officers from across the NECA area and wider region have meet to establish common areas of priority that will help address health inequalities in the region.

The results of this work will form part of the evidence base for the ongoing project throughout the year. The key dates and phases of work are outlined in the paper.

Recommendations

The Overview and Scrutiny Committee is recommended to note the contents of the report and agree to the revised scope and timeframes

Overview and Scrutiny Committee

1. Background Information

- 1.1 At the 7 July 2022 the Committee discussed growing pressures within the recruitment and retention areas that support our essential services especially, but not limited to, the health and social care sector.
- 1.2 The Committee agreed that the Vice-Chair and officers establish a Committee working group to look into the broader issue of understanding current threats and pressures, and mitigations, to the delivery of strategic objectives relating to health and wellbeing, ability to work and prosper and to deliver on economic development and regeneration ambitions.

Working group activity - Background

- 1.3 The Committee working group met on 21 July 2022 to confirm the process and requirements of the work to understand the current threats and pressures, and mitigations, to the delivery of strategic objectives relating to health and wellbeing, ability to work and prosper and to deliver on economic development and regeneration ambitions.
- 1.4 The working group noted that with the region considering how best to recover from the multiple impacts of the COVID pandemic on the region it is important to take a system-based approach and look at the interdependencies that can be best used for improvements. And that the focus would be on creating a Partnership understanding of current threats and pressures with a view to encouraging greater collaboration and reduce potential for unintended consequences.
- 1.5 The working group confirmed the key lines of enquiry and types of evidence that will be used as well as key officer support. It was confirmed that the group would draw on as much information as possible from existing pieces of work to avoid 'reinventing the wheel' while acknowledging the need to examine evidence with the appropriate lens for this piece of work.
- 1.6 The working group discussed key risks to the project and the proposed governance of the group. The working group agreed that it should be chaired by the Vice Chair of the Overview and Scrutiny Committee and that there should be regular updates to the full committee.
- 1.7 Since this discussion senior officers from across the region have met to determine common areas of priority that will help address health inequalities in the region and agree key areas of joint action collectively which could focus on community wealth building, mental health.
- 1.8 **Discussions with regional officers**

Since the last OSC meeting the Chair and Vice Chair have met with Cllr Graeme Miller (NECA and Sunderland City Council Leader) and Patrick Melia (NECA Head of

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Paid Service and Chief Executive, Sunderland City Council). At this meeting the potential value of the project was supported with an endorsement of the challenges faced and how they need to be addressed in a collaborative manner across the region. It was clear from this meeting, and others with regional leads from Economic Development and Public Health and Children’s and Adults Services, that in order for tangible and actionable recommendations to be made to a potential new MCA there was a need to focus the scope of the working groups work while continue to acknowledge the importance of related issues (and how they could be looked at by a future OSC).

- 1.9 Given these discussions it is proposed that the scope of the project is revised to the following: An examination of adult well-being and health and its relationship to individuals’ ability to work in the North East.
- 1.10 The projects working principles and approach to working previously agreed remain unchanged.
- 1.11 Work will continue and a further update will be brought to the working group in the coming months and the Committee at its July 2023 meeting.
- 1.12 Table 1 below outlines the timing to the phases of work for the project.
It is expected that phases will need to run concurrently with feedback loops informing further questions and evidence as the project progresses.

Table 1 – Timing to phases of work

Date	Area of evidence	Completed by	Deliverable
TBC March	Academic perspective	July 2022	Working group established and project endorsed
2. Evidence Gathering	Ongoing	Sept 2022 to June 2023	Update to formal OSC in July 2023
3. Evidence Analysis	Starting	Jan to June 2023	Update to formal OSC in July

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4. Conclusions and draft reporting	Yet to start	May to Oct/Dec 2023	Presentation, discussion and endorsement at informal working group/ full OSC Dec23
5. Presentation to Leadership Group	Yet to start	Dec 2023	

2.

Timing of evidence sessions

As noted earlier, recent discussions have identified how large and complex the original project scope was. As such, there has been the need to pause work on the evidence gathering phase of the project. However, there is still a commitment to collecting relevant information to inform the projects ultimate recommendations. Table 2 below outlines a draft schedule of evidence sessions.

Table 2 – Timing of evidence sessions

Phase	Area of evidence
TBC April	Public Health
TBC April	Skills/ Economic Development
TBC April	Academic perspective
TBC May	NHS & Social Care
TBC June	Links with Devolution

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Proposals

2.1 There are no proposals

3. Reasons for the Proposals

3.1 Not applicable

4. Alternative Options Available

4.1 Not applicable

5. Next Steps and Timetable for Implementation

5.1 The Committee working group will continue to meet as the project progresses and will provide updates to each formal Committee meeting.

6. Potential Impact on Objectives

6.1 No direct impact on objectives

7. Financial and Other Resources Implications

7.1 No financial or other resource implications are identified at this stage.

8. Legal Implications

8.1 There are no specific legal implications arising from these recommendations.

9. Key Risks

9.1 There are no key risks associated with the recommendations made in this report.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

Overview and Scrutiny Committee

12.1 On-going consultation takes place with Officers and Scrutiny Members.

13. Other Impact of the Proposals

13.1 Not applicable

14. Appendices

14.1 Not applicable

15. Background Papers

15.1 NECA OSC 7 July 2022 - Forward Plan and Scrutiny Work Programme Update

16. Contact Officers

16.1 Gavin Armstrong, Policy and Scrutiny Officer

16.2 Email: gavin.armstrong@northeastca.gov.uk

Nicola Robason, Deputy Monitoring Officer

Email: nicola.robason@southtyneside.gov.uk

Telephone Number: 0191 424 7186

17. Sign off

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

18. Glossary

Overview and Scrutiny Committee

Date: 16 March 2023

Subject: Forward Plan and Scrutiny Work Programme Update

Report of: Policy and Scrutiny officer

Executive Summary

This report provides members of the Overview and Scrutiny Committee with an opportunity to consider the items on the Forward Plan for the current 28-day period and discuss items for the Work Programme for 2022/23.

Recommendations

The Overview and Scrutiny Committee is recommended to:

- i. Review the current Forward Plan and consider which items they may wish to examine in more detail;
- ii. Suggest any items for the Work Programme for 2022/23 that Members would wish to explore in more detail, either at the Committee or via a 'deep dive' or working group.
- iii. To agree to the establishment of a working group to look into the following issue. Understanding current threats and pressures, and mitigations, to the delivery of strategic objectives relating to health and wellbeing, ability to work and prosper and to deliver on economic development and regeneration ambitions.

Overview and Scrutiny Committee

1. Background Information

- 1.1 The Forward Plan is a document which NECA is required to maintain under the Combined Authorities (Overview and Scrutiny, Access to Information and Audit Committees) Order 2017. The Forward Plan is published on NECA's website and lists the decisions that the North East Combined Authority intends to take in the coming months and must include all decisions to be made in the next 28 days.
- 1.2 The Forward Plan template contains specific information relating to each decision, including the date the decision will be made, a brief explanation of the topic, the consultation to be undertaken, and contact details of the author. The Forward Plan template has recently been updated and includes further information including if the decision is a 'Key Decision' and if an item will be discussed in private.
- 1.3 Details of each decision are included on the Forward Plan 28 days before the report is considered and any decision is taken. This supports the transparency of decision making within the Combined Authority and allows members of the public to see the items that will be discussed. There are special procedures for circumstances where publication for the full 28 clear day period is impractical or where there is special urgency. Both of these procedures involve the Chair of the Overview and Scrutiny Committee and would be reported to the Overview and Scrutiny Committee at its next meeting.

Role of Overview and Scrutiny

- 1.4 The Overview and Scrutiny Committee examine any decisions of the North East Combined Authority – be that by the principal decision-making body or a committee or officer holding delegated authority. This Scrutiny occurs in public and ensures democratic and public accountability.
- 1.5 One of the main functions of the Overview and Scrutiny Committee is the review and scrutiny of 'Key Decisions' made by the NECA Leadership Board and Officers of the Combined Authority. The relevant regulations set out a test for what should be considered a Key Decision – being those which are most significant in financial or other terms. This is explained in the Decision-Making Protocol adopted by the Committee on the 15 March 2018. At the inaugural meeting of the NECA Leadership Board on the 13 November, following the governance changes, it was agreed that the Decision Making Protocol would remain in place:

Overview and Scrutiny Committee

<https://northeastca.gov.uk/wp-content/uploads/2018/08/NECA-Decision-Making-Protocol.pdf>

1.6 It is NECA's practice to include formal decisions on the Forward Plan to maximise the opportunity for review and scrutiny. In considering items in the Forward Plan, the Overview and Scrutiny Committee should determine which areas scrutiny can add most value to in relation to the decisions being made.

1.7 The Forward Plan at the date this paper was issued is published at:

<https://www.northeastca.gov.uk/committee-meetings/forward-plan>.

Update on Requests for Special Urgency / General Exception

1.8 In accordance with the Decision Making Protocol, it was agreed by Members that the request of any Short Notice Procedure that involved the Chair of the Overview and Scrutiny Committee would be reported at the next Committee. The table below shows the number of requests made since the last meeting was held:

Type of Short Notice Procedure	Number of Requests since previous Committee
Requests for Special Urgency	0
Request for General Exception	0

1.9 The table above reflects that there have been no requests for general exception and no requests for special urgency since the last Committee.

Working group update

Background

1.10 At the 7 July 2022 the Committee discussed growing pressures within the recruitment and retention areas that support our essential services especially, but not limited to, the health and social care sector and requested that a working group was established to look into it.

1.11 The OSC working group met on 21 July 2022 to confirm the process and requirements of the work to understand the current threats and pressures, and mitigations, to the delivery of strategic objectives relating to health and wellbeing, ability to work and prosper and to deliver on economic development and regeneration ambitions.

Overview and Scrutiny Committee

1.12 **Discussions with regional officers**

Since the last OSC meeting the Chair and Vice Chair have met with Cllr Graeme Miller (NECA and Sunderland City Council Leader) and Patrick Melia (NECA Head of Paid Service and Chief Executive, Sunderland City Council). At this meeting the potential value of the project was supported with an endorsement of the challenges faced and how they need to be addressed in a collaborative manner across the region. It was clear from this meeting, and others with regional leads from Economic Development and Public Health and Children's and Adults Services, that in order for tangible and actionable recommendations to be made to a potential new MCA there was a need to focus the scope of the working groups work while continue to acknowledge the importance of related issues (and how they could be looked at by a future OSC).

1.13 A revised, more focused, scope and revised timeframe are included in working group update item also on this agenda.

1.14 Work will continue and a further update will be brought to the working group in the coming months and the Committee at its July 2023 meeting.

1.15 **Future of Scrutiny in the North East**

As noted in the Devolution Update paper also on this agenda there is the potential for significant changes to governance in the North East with the disestablishment of the North of Tyne Combined Authority and the North East Combined Authority and the creation of the North East Mayoral Combined Authority (NEMCA).

1.16 While the governance structure of committees and advisory boards to NEMCA is yet to be established, there will be a role for scrutiny in relation to the mayor and cabinet.

1.17 The nature of that role is included in legislation and there may be changes to how this function is undertaken given recent comments by Minister Gove at the Conference for the North.

1.18 Minister Gove noted that:

The new Office for Local Government, OfLog, will produce detailed and precise comparison of delivery across local authorities and mayoral combined authorities. Value for money and effectiveness of service will be measured more effectively than ever before, monitored and analysed so we can learn from the best and support others to improve.

Overview and Scrutiny Committee

And I am confident it will be another step in enhancing the role local leaders play in our political lives and in delivering economic growth. The greater scrutiny will not only further sharpen efficiency and spread learning it will, I know, show how successful devolution is, can and will be in the future.

- 1.19 What the role of the OfLog will be and how it relates to combined authority scrutiny functions is not yet clear. The Policy and Scrutiny officer will keep the Committee informed of any further information as it becomes available.
- 1.20 **Annual Work Programme**
- 1.21 The most recent version of the work programme has been compiled to allow the Overview and Scrutiny Committee the opportunity to consider items that they have requested.
- 1.22 The work programme is also designed to give an overview of all performance, decision-taking and developments within the NECA, as well as being focused and flexible to allow for new issues and recognising the capacity of the scrutiny committee to respond in a timely way to emerging developments throughout the year. The Plan allows the Committee to take a longer-term view than the Forward Plan, adding a longer-term perspective to the Committee's work. Advantages of a longer-term perspective is the opportunity to gain a deeper understanding of matters and to allow for more constructive engagement and scrutiny.
- 1.23 Members are also invited to comment and give consideration to any additional items they would wish to consider on their Work Programme or those decisions where they can add value.
- 1.24 The proposed work programme included in appendix 1. It should be noted that the work programme covers items that will be discussed at the meetings. It does not preclude 'deeper dives' providing more focused scrutiny of particular topics by a sub-group of the committee outside of these meeting dates. These topics can be raised with the Chair and Scrutiny Officer at any time.
- 2. Proposals**
- 2.1 Committee Members are invited to review the Forward Plan for the current 28-day period – giving consideration to any items they may wish to examine in more detail – and to suggest any items for addition to the Annual Work Programme for 2022/23.

Overview and Scrutiny Committee

3. Reasons for the Proposals

- 3.1 To provide an opportunity for Committee members to input on any additional items as part of continued planning for the Work Programme for 2022/23.

4. Alternative Options Available

- 4.1 Option 1 – The Overview and Scrutiny Committee may review Forward Plan and suggest additional items for the Work Programme.

Option 2 – The Overview and Scrutiny Committee may choose not to review the Forward Plan or consider any additional items for the Work Programme.

Option 1 is the recommended option.

5. Next Steps and Timetable for Implementation

- 5.1 In considering the Forward Plan, Members are asked to consider those issues where the Scrutiny Committee could make a contribution and add value.

- 5.2 If the Overview and Scrutiny Committee determines to review or scrutinise a decision notified in the Forward Plan, a meeting of the Committee will be arranged to allow scrutiny members to carry out their role in a timely manner.

- 5.3 The work programme will be refreshed and updated at each meeting of the Committee throughout the year.

6. Potential Impact on Objectives

- 6.1 Development of a work programme and review and scrutiny of decisions in the Forward Plan will contribute towards the development and implementation of the policy framework of the NECA, the Joint Transport Committee and the North East LEP as well as providing appropriate challenge to decisions making.

7. Financial and Other Resources Implications

- 7.1 No financial or other resource implications are identified at this stage.

8. Legal Implications

- 8.1 There are no specific legal implications arising from these recommendations.

9. Key Risks

Overview and Scrutiny Committee

9.1 There are no key risks associated with the recommendations made in this report.

10. Equality and Diversity

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

11. Crime and Disorder

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

12. Consultation/Engagement

12.1 On-going consultation takes place with Officers and Scrutiny Members across the NECA in regard to the items for the Annual Work Programme as Appendix One.

13. Other Impact of the Proposals

13.1 The proposals consider the wider impact and take into account the Principles of Decision Making as set out in the NECA Constitution. They allow Members consideration of the items on the Forward Plan and allow them the opportunity to have an overview of all performance, decision making and developments across NECA.

14. Appendices

14.1 Appendix 1 – Annual Work Programme Update

15. Background Papers

15.1 None.

16. Contact Officers

16.1 Gavin Armstrong, Policy and Scrutiny Officer

Email: gavin.armstrong@northeastca.gov.uk

Telephone Number: Tel No: (0191) 4247537

16.2 Nicola Robason, Deputy Monitoring Officer

Email: nicola.robason@southtyneside.gov.uk

Telephone Number: 0191 424 7186

Overview and Scrutiny Committee

17. Sign off

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

18. Glossary

- 18.1 NECA - North East Combined Authority
North East LEP - North East Local Enterprise Partnership

Appendix One

Overview and Scrutiny Work Programme 2022/23

Standing Items for each Committee Meeting:

- Declaration of Interest
- Minutes of Previous Meeting
- NECA Forward Plan and Work Programme Report

Source of work programme and items of importance:

The Overview and Scrutiny Committee obtains work programme items from the following sources:

- a) Items submitted by Members of the Committee (and including items referred by other members of the Combined Authority);
- b) Suggestions from NECA Chief Officers; Patrick Melia – Head of Paid Service, Nicola Robason – Deputy Monitoring Officer and Paul Darby – Chief Finance Officer
- c) The Budget and Policy Framework; Transport Plan and Strategic Economic Plan
- d) The Forward Plan;

Overview and Scrutiny Committee

- e) The Thematic Leads;
- f) Evidence for any policy review work of relevance to NECA

Items for future consideration (2022-2023)

Meeting Date	Subject
July 2023	<ul style="list-style-type: none">• Devolution – results of consultation, next steps• Report back from Working Group - Evidence gathering and Analysis• Future of Scrutiny – National and MCA perspectives• Thematic Updates from Portfolio Leader
Oct 2023	<ul style="list-style-type: none">• Report back from Working Group• Thematic Update from a Portfolio Leader
Dec 2023	<ul style="list-style-type: none">• Report back from Working Group• Thematic Update from a Portfolio Leader

It should be noted that the work programme above covers items that will be discussed at the meetings. It does not preclude 'deeper dives' providing more focused scrutiny of particular topics by a sub-group of the committee outside of these meeting dates.