



North East Combined Authority, Overview and Scrutiny Committee

Tuesday 22nd March, 2016 at 2.00 pm

Meeting to be held at Newcastle City Library, Charles Avison Building, 33 New Bridge Street West, Newcastle upon Tyne, NE1 8AX

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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 previous meeting held on 9 February 2016	1 - 6
4. Update on Metro Performance	7 - 14
5. Transport Thematic Lead	15 - 28
6. Devolution update	29 - 52
7. Forward Plan & Scrutiny Work Programme	53 - 80
8. Dates and time of next meeting	

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To All Members

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North East Combined Authority, Overview and Scrutiny Committee

9 February 2016

(2.00 - 3.45 pm)

Meeting held Jarrow Town Hall, South Tyneside Council, Town Hall, Jarrow, Tyne & Wear, NE32 3LE

Present:

Councillor: Wright (Chair)

Councillors: Armstrong, Dillon, Eagle, Flux, Graham, Maxwell, Meling, Pidcock, Snowdon and Wright

34 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Lower, Pearson, Crute, Glindon and Councillor Watson (Leader of Sunderland City Council).

35 DECLARATIONS OF INTEREST

The Vice Chair (Cllr Eagle) advised that the NECA Monitoring Officer had granted dispensation to enable him to be a representative and to participate in discussions of the Overview and Scrutiny Committee.

36 MINUTES OF PREVIOUS MEETING HELD ON 1 DECEMBER 2015

The minutes of the previous meeting were agreed as a correct record and signed by the Chair.

Matters Arising:

- i. **Devolution Update (Minute 28)** – Members agreed that an update be included on all future agendas.

37 POLICY REVIEW : TRANSPORT BARRIERS - EVIDENCE FROM T&W PTUG

Submitted: Report of the NECA Monitoring Officer (previously circulated and a copy attached to the official minutes).

The purpose of the report was to consider evidence from the Tyne and Wear Public Transport Users Group for the policy review of transport related barriers to

education, employment and training. The evidence was submitted following a Call for Evidence issued during the summer of 2015.

General comments were invited and additionally, specific questions were posed as follows:

- (a) The accessibility of public transport (i.e. whether people can travel at reasonable cost, in reasonable time and within reasonable ease)?
- (b) The availability of public transport and the extent to which it is adequate to access employment sites?
- (c) What alternative transport approaches could be considered to support people being actively engaged in work?

A representative from the Tyne & Wear Public Transport Users Group (TWPTG) had been invited to address committee on the group findings (set out in Appendix A).

Mr D Shaw addressed the meeting explaining that the report was the work of the transport users Management Committee and crossed all local authority boundaries. In presenting the findings Mr Shaw highlighted the following:

- A reflection on past transport modes, the change in working patterns and demographic changes.
 - Pit buses for the mining communities.
 - The use of public transport (mainly buses) to reach work was not too difficult.
- Funding for bus services and the metro were becoming increasingly difficult. Fares had increased above inflation for a number of years and it was now cheaper to use a car for work purposes.
- The only way to increase bus users was to make buses more attractive.
- Regarding travel to work people need to be able to travel speedily and economically between home and as many potential workplaces as possible. An audit should be undertaken of all major areas of employment to ascertain both problems faced by existing public transport users and the barriers that car drivers experience that stop them from using public transport.
- Look at transport modes for a complete journey i.e. cycling-Metro-buses. It was suggested that NECA ensure that a mapping exercise is carried out of public transport serving out of town business parks. Ascertain what current transport connections currently exist to enable access to employment.
- Cross boundary ticketing was a huge problem; it is impossible to purchase one ticket for multiple services.
- Display boards for time tables and information were not effective.

- Cuts in funding continued to be an issue leading to problems travelling to and from work.
- Bus routes with competition from the various operators.

Member's questions/comments

Confusing information about available options.

Responding to a question regarding fares Mr Shaw explained that consultants KPMG had produced a report which stated that bus provision had improved, contradicting public views that transport is problematic with the numerous offers available and too much information. He referred to Oyster cards, a good option but reliant on control of the whole network. A complex system was in operation in the NECA area; people needed a consistent bus network with a simple ticketing structure.

It was acknowledged that community buses would benefit from additional passengers. Mr Shaw added that the TWPTUG had links with Northumberland and possible joint working was under discussion. He explained that a franchise scheme could create a cross ticketing route using more marginal services running more frequently. He referred to rural Northumberland where numerous bus services had been removed. However, community buses could provide a reliable service if businesses were prepared to promote their use to employees.

A member stated that the report was based on privatisation instead of nationalisation. Reference was made to efficient, successful bus companies across the UK that were owned by local authorities.

It was pointed out that Germany and Austria had an effective transport system where public and private operators had joined together.

The Chair thanked Mr Shaw for attending the meeting and presenting the findings of the user group.

RESOLVED - that the evidence be received and used to contribute towards the policy review.

38 ECONOMIC DEVELOPMENT UPDATE

Submitted: Report of the Economic Development and Regeneration Thematic Lead (previously circulated and a copy attached to the official minutes).

The purpose of the report was to provide an update on activity and progress under the Economic Development Regeneration theme of the Combined Authority.

Councillor Speding (Sunderland City Council) attended the meeting on behalf of Cllr Watson who had submitted his apologies.

Committee was informed of the recent meeting of the Economic Development and Regeneration Advisory Board (EDRAB) where members considered items on the regional Inward Investment function and activity, and the development of a regional investment plan/pipeline for the NECA area.

Councillor Speding referred to the 34 foreign investments reported over the first two quarters of 2015/16. Details of the investors were set out in section 3 of the report.

In considering the report Members noted the progress made to develop a series of sector-based propositions to be used to attract inward investment into the NECA area.

During the ensuing discussion Members noted the proposed expansion in foreign investment. Reference was made to the recently appointed consortium, established to promote the North East to investors and to increase the amount of inward investment. A question was asked as to whether the final propositions had been received at the end of January as set out in the report. Cllr Speding offered to provide this information outside of the meeting.

Members welcomed future investment and acknowledged the complex confidential processes involved.

A member raised the issue of the national policy change in relation to National Non-Domestic Rates and questioned the potential impact on NECA.

RESOLVED – that the update be received.

39 **TRANSPORT MANIFESTO**

Submitted: Report by the Chief Executive Officer for Transport (previously circulated and a copy attached to the official Minutes).

The North East Combined Authority (NECA) has a duty to produce a Transport Plan covering the whole of its area. Among other functions, the plan will replace the existing Local Transport Plan (LTPs) for Durham, Northumberland and Tyne and Wear.

In advance of the Transport Plan, a shorter Transport Manifesto has been produced which will enable the public to give their views on the overall strategic direction for Transport in the NECA area. Views will then be included in the Transport Plan to give it greater customer focus.

The Principal Transport Planner, NECA delivered a presentation to the Committee describing the content of the Manifesto. During the presentation the following points were highlighted:

This was a 2 stage approach – the Transport Plan and the Transport Manifesto. The Manifesto was now published on the NECA website and websites of the local authorities within NECA.

Copies of the questionnaire and Manifesto were available for Members.

The four key themes for transport were –

- Easy
- Reliable
- Affordable
- Accessible

The Principal Transport Planner explained that under the NECA Constitution the Manifesto was not a 'Part 4' Document but that the Transport Plan was. The Overview and Scrutiny Committee will therefore have opportunities to make recommendations to the Leadership Board regarding the Plan.

The consultation, scheduled to close on 8 April 2016, had been lengthened to allow sufficient time for Town and Parish Councils to consult their members and feedback any views.

In welcoming the report members raised the following issues/questions

The economy and role of business should be added as a -key theme.

Another member suggested that responsiveness was an important key theme.

Members asked if there was a plan for the north. In response the Principal Transport Planner explained that the purpose of the Plan was to promote the region and attract funding.

Regarding the publication of the Plan on the NECA website a member voiced concerns that the site was not user friendly and trying to respond to the consultation was too time consuming.

A member referred to the traffic congestion caused by the implementation of bus lanes, particularly in the city centre, the replacement of roundabouts with traffic lights again leading to congestion and the fact that it was cheaper to travel by car.

The development of new business sites should only take place once appropriate transport links were embedded.

There were still concerns from people in isolated communities who seeing many services withdrawn were disillusioned with bus operators.

The Chair questioned what was known about future transport funding compared to the aspirations of local politicians.

RESOLVED – that the Committee noted the current status of the Transport Manifesto

40 FORWARD PLAN & WORK PROGRAMME

Submitted: Report of the Monitoring Officer (previously circulated and a copy attached to the official minutes) which incorporated a copy of the NECA Forward Plan and the updated Scrutiny Annual Work Programme for 2015/16.

Members were advised that the report provided an opportunity to consider items for the current period and to review the work programme.

Attention was drawn to section 3.4 of the report; a request from North Tyneside's Children, Education and Skills Sub-Committee that a committee of the Combined Authority consider undertaking an investigation into the **'role of public transport employees in assisting other agencies to protect young people from child sexual exploitation'**. Following discussion it was agreed that enquiries would be made to investigate what is currently being explored at a regional level on behalf of all local authorities across NECA to ascertain what practices/developments were in place or scheduled to take place.

Members also agreed that an update on Devolution be included on future agendas.

RESOLVED – That the work programme be received.

41 DATE AND TIME OF NEXT MEETING

2.00pm on Tuesday 22 March 2016 at North Tyneside Council (TBC)

North East Combined Authority

Overview and Scrutiny Committee

Date: 22nd March 2016
Subject: Update on Metro performance
Report of: Monitoring Officer

Executive Summary

The purpose of this report is to provide the Scrutiny Committee with an update on the Metro's operational performance.

Recommendations

It is recommended that the Committee receives and considers this report.

North East Combined Authority

Overview and Scrutiny Committee

1. Background

- 1.1 At a meeting of the Leadership Board of the NECA on 19th January 2016, the members of the Board recommended that the Scrutiny Committee should invite Network Rail to a future meeting to consider issues in relation to the rail track system management in the Combined Authority area. The referral relates to recent disruptions to the Metro services.
- 1.2 The Scrutiny Committee has previously met with representatives from Nexus and DB Regio Tyne & Wear following a referral from the Transport North East (Tyne and Wear) Sub-Committee to discuss performance of the Metro, particularly following performance on the day of the Great North Run.
- 1.3 Members are aware that the Nexus-owned Metro infrastructure is contained solely within Tyne and Wear, with dual-running operations on infrastructure with Network Rail between Pelaw junction and Sunderland.

2. Performance

- 2.1 Members have previously discussed performance figures for the Metro which are a result of the performance of three organisations: DBTW, Nexus, and Network Rail in its capacity as infrastructure provider maintaining the railway and providing the power and signalling for the tracks and stations between Newcastle and South Hylton via Sunderland.
- 2.2 It has been reported to the Scrutiny Committee that in the last few weeks there have been incidents of closure on the Newcastle to Sunderland line which have caused significant delays for passengers using the Metro service. For example, services were suspended for 3 days due to a power cable failure and also there was a 3-day service loss in December due to overhead power lines coming down.
- 2.3 The Scrutiny Committee will be provided with the opportunity to discuss infrastructure performance and future planning with Network Rail.

3 Next Steps

- 3.1 Mark Tarry, Area Director of Network Rail has been invited to discuss with performance with the Committee, in particular, how repairs are carried out to the system and generally how to improve the rail travel experience for passengers.

North East Combined Authority

Overview and Scrutiny Committee

4 Potential Impact on Objectives

- 4.1 Providing a focus on the key actions being taken to improve Metro performance should help to ensure that service quality and delivery objectives are achieved.

5 Finance and Other Resources

- 5.1 There are no direct financial or resource considerations arising from this report.

6 Legal

- 6.1 There are no direct legal considerations arising from this report.

7 Other Considerations

7.1 Consultation/Community Engagement

There are no specific consultation/community engagement considerations arising from this report.

7.2 Human Rights

There are no specific human rights considerations arising from this report.

7.3 Equalities and Diversity

There are no specific equalities and diversity considerations arising from this report.

7.4 Risk Management

There are no specific risk management considerations arising from this report as there are no issues requiring escalation at this time.

7.5 Crime and Disorder

There are no specific crime and disorder considerations arising from this report.

7.6 Environment and Sustainability

There are no specific environment and sustainability considerations arising from this report.

8 Background Documents

Minutes of the NECA Leadership Board - Update Report of the Thematic Lead for Transport 19 January 2016

North East Combined Authority

Overview and Scrutiny Committee

9 Links to the Local Transport Plans

This report has direct links to the delivery of public transport services and facilities covered in the statutory Local Transport Plan for Tyne and Wear.

10 Appendices

10.1 Network Rail submission to Scrutiny Committee

11 Contact Officers

11.1 Karen Brown, Scrutiny Officer Karen.brown@sunderland.gov.uk

12 Sign off

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



Network Rail submission to North East Combined Authority Scrutiny Committee, March 2016

Author:

Mark Tarry, Area Director (North), Network Rail (London North Eastern and East Midlands Route).

1. Summary

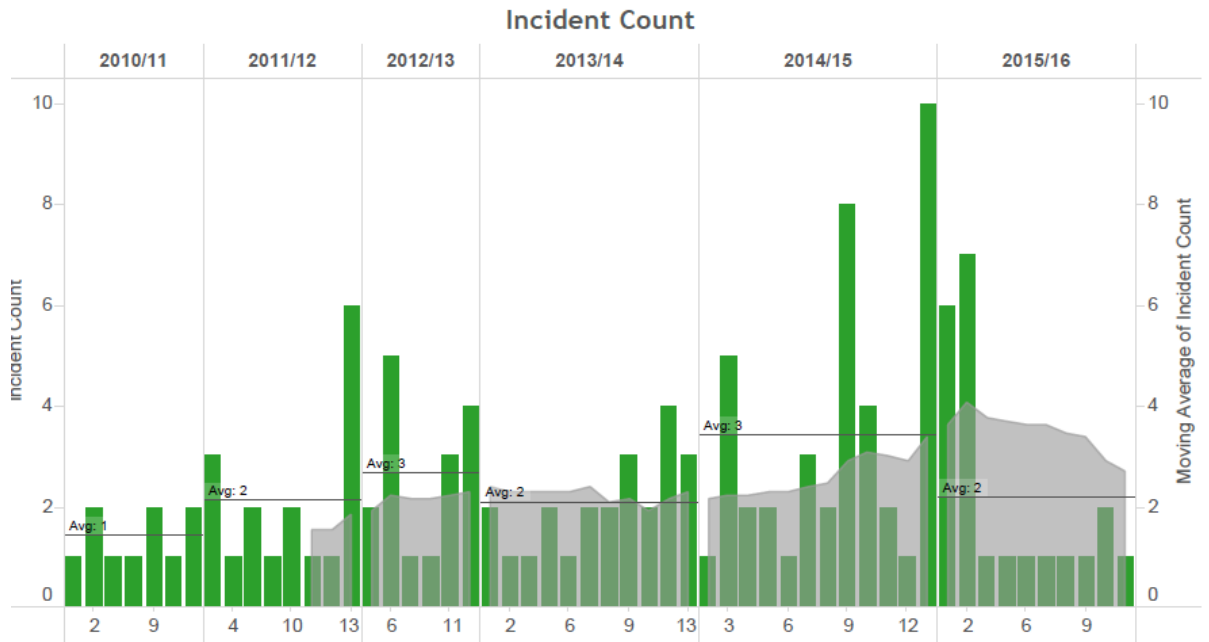
- 1.1 The underlying performance of Network Rail on the Tyne and Wear Metro is good and is improving.
- 1.2 There were two significant, but unconnected, incidents in December and January which resulted in significant disruption to the users of Metro services.
- 1.3 Lessons have been learnt from these incidents, and a number of measures have been put in place to reduce the risk of such incidents happening again.

2. Network Rail's responsibility for the Tyne and Wear Metro

- 2.1 Network Rail is responsible for the maintenance, operations and renewal of the infrastructure between Pelaw Junction and Sunderland.
- 2.2 The system design has limited resilience, which results in significant operational impact. During the recent failure of a feeder cable at Fellgate, for example, the system did not have a suitable electrical feeding arrangement to support an operational service.
- 2.3 Network Rail has spent £2.4m over the last 14 years on enhancing the system, with further renewals planned.

3. Performance

- 3.1 Reliability is an improving picture; this year to date we have seen a total of 52 incidents compared with 82 last year. As the graph below shows, for most of this year we have been averaging one incident per period.



4. Brockley Whins dewirement, December 2015

- 4.1 On 6 December 2015, the pantograph of a Metro train travelling from Sunderland to Newcastle became entangled with the overhead line equipment (OLE) at Boldon East junction, near Brockley Whins station. Some OLE wire had become worn and parted, allowing the entanglement to happen.
- 4.2 The entanglement seriously damaged the OLE. Specialist resources were required to fix the problem, resulting in disruption to services until 10 December when the repairs were completed.
- 4.3 In response to this incident, we have amended our inspection regime to include this type of fault. We have also identified other locations that may be at risk of a similar fault and have undertaken a visual inspection of those sites. Work is now planned to install enhanced protection to the catenary conductor.

5. Fellgate cable fault, January 2016

- 5.1 On 12 January, multiple circuit breaker trips led to services being suspended between Brockley Whins and Pelaw.
- 5.2 Staff were quickly on site investigating the problem, but a variety of tests had to be carried out before the exact location and nature of the fault was identified – a damaged power cable that was allowing water in to the cable. This was then replaced, allowing services to resume on 15 January.
- 5.3 In response to this incident, testing has been carried out on all similar feeder cables. We will also be implementing a new mechanism to reduce to risk of future water ingress.

6. Lessons learned and future plans

- 6.1 We are very mindful of the impact that such incidents have on passengers. We would like to assure the committee that on both occasions we took that impact seriously, with staff quickly deployed to site and working through the night to fix the problems as quickly as possible.

- 6.2 We have also sought to learn lessons from these incidents, to reduce the risk of something similar happening in future.
- 6.3 We have changed our inspection regime, to make it more likely that we would spot the sort of wear that caused the Brockley Whins incident before an incident occurs.
- 6.4 We are modifying our power distribution system to make it more resilient. One of the reasons these incidents were so disruptive is that, at present, if one feeder station is out then no trains can run. Work we will be undertaking in the next 18 months will mean that, in future, other stations can be used as back-up to help keep services running.
- 6.5 We are currently in the process of finalising our initial plans for Control Period 6 (our next DfT funding cycle, which runs 2019-2024). This will include future asset renewals for the Metro system.
- 6.6 We have arranged a series of workshops with Nexus to consider how we can best work together to maximise resources (materials, plant, labour and expertise). Due to the design and build of the infrastructure, many of the parts and equipment and faulting process needed for repairs are bespoke and not compatible with the rest of the infrastructure on Network Rail. It is not efficient for both Nexus and Network Rail to stock and hold the same strategic spares. We intend to work together, to identify what resources the two organisations hold currently, and identify any gaps. This will enable us to respond to future problems more quickly.
- 6.7 We have also been working with Nexus and DB Regio to agree a process for how we should prioritise services should similar incidents occur again. When disruption occurs, there are inevitably a range of choices that can be made around train prioritisation, which determines the extent of the passenger impact.

For further information:

Please contact Alexandra McMillan, Public Affairs Manager (LNE&EM), Network Rail – alexandra.mcmillan@networkrail.co.uk / 07734 646637.

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North East Combined Authority

Leadership Board

DATE: 19th January 2016

SUBJECT: An Update Report of the Thematic Lead for Transport

REPORT OF: Thematic Lead for Transport

EXECUTIVE SUMMARY

This report outlines details of major transport developments and announcements since the last update report was provided to the Leadership Board on 17th November 2015.

The report also includes an update on digital connectivity, reflecting the inclusion of these issues alongside transport within the Strategic Economic Plan's 'connectivity' priority.

RECOMMENDATIONS

It is recommended that the Leadership Board notes the contents of this report.

North East Combined Authority

Leadership Board

1. Transport developments and announcements since the previous report

1.1 Since the last full meeting of the Leadership Board, there have been a number of significant transport developments and announcements affecting the North East, and these are detailed below.

2. Autumn Budget Statement

2.1 The Chancellor's Autumn Statement on 25th November set out figures for revenue and capital spending on transport. NECA officers are currently seeking more clarity over these various funding streams, eligibility criteria and how much will be received in this region. It is proposed to take a more detailed report to the next meeting of Transport North East Committee on 26th February.

2.2 Although the announcement of continued high levels of spending for transport is to be welcomed, I have commented previously on the fact that this funding is made available through a series of discrete funding opportunities selected by Whitehall, which are often subject to time-consuming bidding procedures. As a number of independent reports have demonstrated, the North East has received an unfairly low level of transport investment compared to regions in the south. What we are seeking through the devolution process, by contrast, is secure long-term funding streams, offering us local freedom and flexibility over how best we spend resources to benefit our residents and businesses.

2.3 One adverse feature of the spending announcement affecting this region is the fact that funding for the development of the Tyne and Wear Metro over the next 5 years is to be reduced from £153m to £120m – a cut of £33m. I have already publicly expressed my disappointment with this cut in investment which means that a number of planned projects will now have to be shelved, including accessibility upgrades to some stations. Again, this highlights the need to secure more control and certainty over our own finances here in the region through devolution, rather than being reliant on decisions made in Whitehall.

2.4 A further concern is that the national Settlement Funding Assessment (SFA) for county level services, which includes transport services and social care, is being cut by £2bn (15%) next year and potentially by £5.1bn (40%) over the next four years, despite considerable cost pressures in these services. This further widens the gap between the costs and funding for statutory concessionary travel. In previous reports to this Committee and in discussions at Transport North East Committee, I have commented on the government's underfunding of concessionary travel and the fact that this means councils are having to find spending cuts in other areas of their Budgets. The latest funding settlement will only worsen this situation.

North East Combined Authority

Leadership Board

3. Transport for the North

3.1 Background

3.1.1 The North East Combined Authority continues to play an active role in the Transport for the North (TfN) partnership, bringing together transport authorities from across the North to promote investment in key inter-city and inter-regional connections across the north of England. It is intended that TfN should become a statutory body and the Cities and Local Government Devolution Bill, currently passing through Parliament, includes amendments to put this into effect.

3.1.2 The Bill will allow sub-regional transport bodies to come into being and NECA will be asked to give its consent to becoming part of Transport for the North as a statutory body. This will be the subject of a forthcoming report to Leadership Board.

3.2 Rail

3.2.1 Work is continuing to examine how the transformational improvements to journey times and service frequencies set out in the Northern Transport Strategy can be achieved.

3.2.2 NECA is working closely alongside Network Rail, HS2 Ltd and TfN partners as options are developed, with the objective of producing an update for the March 2016 Northern Transport Strategy report and, by the autumn, a series of prioritised infrastructure packages.

3.2.3. NECA continues to raise the need for additional capacity between Northallerton and Newcastle, to cater for growing passenger and freight traffic on the East Coast Main Line north of York. The pressure on this two-track section of route will be exacerbated by the doubling of the frequency of TransPennine services to Manchester (commencing in December 2017) announced as part of the recent TransPennine franchise award.

3.3 Road

3.3.1 The strategic study exploring the case for dualling the A69 and/or A66, with the aim of creating a new strategic link across the Pennines in northern England, is well under way. The study will be completed by October 2016 - however, an interim report will be available in March to help inform the updated version of the Northern Transport Strategy. NECA officers attend the Programme Board for the study on behalf of TfN.

3.4 Freight

3.4.1 Work is continuing on the Northern Region Freight and Logistics Strategy with the report due to be published in March 2016. A private sector reference group, including representatives from this region, has been established to ensure that businesses involved in the movement of goods can inform the strategy and a further stakeholder conference was held in Leeds on 17th

North East Combined Authority

Leadership Board

January to inform attendees of the emerging findings of the strategy. The freight sector in this region are being kept informed via the North East Freight Partnership.

3.5 International Connectivity

3.5.1 NECA are leading on this workstream, on behalf of Transport for the North, and are initiating a study to determine where improvements in international connectivity are needed and how these might benefit the Northern economy.

3.6

3.6.1 Smart Ticketing

In the Comprehensive Spending Review, the government committed £150m of funding to deliver smart and integrated ticketing across local transport and rail services in the North TfN and the Department for Transport will work together to produce an implementation plan by Budget 2016 setting out how this goal will be delivered.

3.6.2

Nexus officers continue to be actively involved in this workstream, acting on behalf of the Combined Authority. With the introduction of Smart Ticketing technology now well advanced on the Tyne and Wear Metro and across the NECA area, through the NESTI Programme, the NECA is in a strong position to take a lead role in the early implementation phases of new technologies.

4. **Transport Vision for the North East**

4.1 As described in previous reports, the Combined Authority has agreed to produce a Transport Plan for the North East which will supersede the existing Local Transport Plans for Durham, Northumberland and Tyne and Wear.

4.2 The two-stage process for the production of this Plan will be

1. A Transport Manifesto setting out high level ambitions; followed by
2. The Transport Plan – a comprehensive, statutory document

4.3 The latest version of the Manifesto was taken to Transport North East Committee on 24th November, where further amendments were requested to the content and design, with authority to approve these being delegated to myself, in my capacity of Chair of TNEC. The Committee also expressed the view that the proposed seven weeks' public consultation starting 1st December was too short especially as it ran over Christmas and New Year. Therefore, once these further changes have been approved, an eight week public consultation will be undertaken from this month.

North East Combined Authority

Leadership Board

4.4 Whilst the above process is under way, background work is being undertaken towards the final Transport Plan.

5. Local Growth Fund Transport Schemes

5.1 As previously reported to the Leadership Board, in 2014 it was announced that 15 highway and public transport schemes, plus a Local Sustainable Transport Fund (LSTF) Capital package, due to commence delivery in 2015/16, have been granted funding from the Local Growth Deal. A letter setting out funding allocations for 2016/17 and future years has now been received, which is in line with expected funding levels. With the positive annual conversation that has taken place with DCLG/BIS, this will enable funding certainty to be given to projects commencing this year and next once their final business cases are agreed.

5.2 As business cases for the various schemes are concluded, and subject to their undergoing satisfactory independent assessment, they will be brought forward to this Board or to the Transport North East Committee, depending on earlier prioritisation through the previous Local Transport Body, for final approval to release funding. A separate report on the agenda reports progress on following 7 projects, where the business cases are expected to be agreed over the next few months:

- Sunderland Low Carbon Zone
- South Shields Transport Hub
- Northern Access Corridor (Cowhill to Osborne Road)
- Scotswood Bridgehead Improvements
- Newcastle Central Station to Stephenson Quarter
- A191 Junctions (including Coach Lane and Tyne View Park)
- A19 Employment Corridor Access Improvements

5.3 The complexity of highway schemes means there is some slippage of activity and spending. Actions are proposed in a report on the Capital Programme to maximise spending this year and the need to increase the level of over-programming in the 2016/17 capital programme has been identified. This will be the subject of reports to future NELEP Board and Leadership Board meetings.

6. Rail

6.1 New Franchises

6.1.1 The DfT has announced the award of the Northern franchise to Arriva Rail North Limited, and the TransPennine Express franchise to First Trans Pennine Express Limited. Both will commence in April 2016.

6.1.2 The new franchises will deliver some important improvements, including 2,000 extra services a week across the North of England, significantly more capacity at peak times, extra investment in stations and new 125 mph trains

North East Combined Authority

Leadership Board

on the TransPennine route. The infographic attached at Appendix A contains key highlights offered in the new franchises for the North East, which feature more frequent services on many routes across our area, strengthening connectivity between towns and cities within the North East and to major cities in the North of England and Scotland.

- 6.1.3 Rail users in this region will particularly welcome the commitment to remove the unpopular “Pacer” fleet of trains from the network by 2020, replacing them with higher-quality refurbished vehicles. It is also proposed to introduce an hourly Carlisle – Newcastle – Middlesbrough “Northern Connect” service from 2019, and for the number of TransPennine services to increase to two per hour – one of which will continue to Edinburgh.
- 6.1.4 A number of issues remain unclear and we will be taking these up with the new franchise operators through Rail North and the North East Rail Management Unit. The most important of these is the routing of the new “Northern Connect” service, which we also wish to see using the Durham Coast line to improve connectivity and service frequencies.
- 6.1.5 The new franchises will be jointly managed from Leeds by Rail North and the Department for Transport. Many of the improvements were brought about by the involvement of Rail North which worked with the DfT to design the franchise specification. Rail North represents 29 local authorities across the north including the North East Combined Authority.
- 6.1.6 Through our membership of Rail North and, in particular, through the new North East Rail Management Unit, we will focus on ensuring that the commitments made in the franchise agreements are fully delivered. Discussions may also be needed with Network Rail as additional infrastructure work may be required to accommodate additional services along the latter route.

6.2. **North East Rail Management Arrangements**

- 6.2.1 A separate item on this agenda seeks the Leadership Board’s agreement to enter into the Rail North Members’ Agreement, along with participation in the ‘North East Rail Management Unit’, an agreement to work with Tees Valley authorities, Cumbria and North Yorkshire to oversee and develop the services that affect our region.

7. **Public Transport**

7.1 **Bus Franchising**

- 7.1.1 At its meeting in November, the Leadership Board agreed for officers to develop four options for possible next steps. In summary, these were: (a) progress the QCS despite the QCS Board’s opinion, (b) modify the QCS, (c) develop bus franchising under the devolution agreement, and (d) enter into partnership with the bus operators.

Work on these options is underway, and it is expected that a report will be

North East Combined Authority

Leadership Board

7.1.2 provided to the Leadership Board shortly seeking direction on the preferred way forward.

7.1.3 The Department for Transport is continuing its work on the Buses Bill. This will create legislation to allow local authorities to introduce bus franchising under certain conditions, and will set out some changes to the legislation covering bus partnerships. Draft legislation is expected to be introduced to parliament during the first half of 2016. We expect the legislation to address the major problems which our experience has demonstrated with the current legislation, and should join with other transport authorities to lobby the government to deliver this.

7.2 **Metro**

7.2.1 Following the Spending Review, the DfT has confirmed a firm capital funding commitment through to 2020/21 of £120 million, bringing total government investment in the Metro system over the period 2010/11 to 2020/21 to £317 million.

7.2.2 This is disappointing as it is £33m below the levels of capital grant that were previously anticipated. It is a result of the government's austerity cuts, and has been imposed despite Nexus's good track record of delivering the Asset Renewal Programme. The reduction will mean a slowdown in the delivery of the overall programme, and this is discussed in the separate item on the agenda dealing with the Capital Programme.

7.2.3 In line with the commitment negotiated through the Devolution Agreement, the DfT has acknowledged the need for both the renewal of the Metro fleet, the long-term continuation of essential renewals network wide and the Combined Authority's ambition for the expansion of the system, and future integration of the Metro with the rail network.

7.2.4 New Metro fares were introduced from 2nd January 2016 following approval by the Transport North East (Tyne and Wear) Sub Committee. The weighted average rise of 0.4% is lower than the rate of RPI rate of inflation and also lower than the average rise for regulated fares in the UK rail industry as a whole.

7.2.5 The performance of the train operator DB Regio continues to be a matter of serious concern. Nexus is working closely with DB Regio to add focus to areas requiring improvement, but performance remains below expectation. The Transport North East (Tyne and Wear) Sub Committee is monitoring the situation closely.

7.2.6 Metro's performance was affected in the run-up to Christmas by storm damage which caused two significant closures of the line at Bede and then Brockley Whins in early December, the latter also affecting National Rail

North East Combined Authority

Leadership Board

services whilst it was repaired by Network Rail.

7.3 Smart Travel

7.3.1 There are now more than 119,000 individual smart cards being used on Metro, including Pop cards holding season tickets and student tickets, English National Concessionary Travel Cards bearing Gold Card, and new Pop Pay As You Go Cards. Up to the start of December 2,000 people were using Pop Pay As You Go cards, following launch in November; that number is expected to grow rapidly as the first major marketing campaign is launched in January.

7.3.2 Pop Pay As You Go can also be used within the Combined Authority on all Arriva bus services north of the Tyne, selected Go North East and Stanley Travel routes and the Shields Ferry, funded through the North East Smart Ticketing Initiative (NESTI). Cards are on sale at Nexus Travelshops and some Payzone retail outlets.

7.3.3 Nexus is also playing a key role in a programme led by Transport for the North to develop a smart ticketing solution to help make it simpler to travel across the north.

8. Freight

8.1 The North East Freight Partnership's Fleet Operator Recognition Scheme (FORS) now covers 112 operators within the area, comprising 4,708 vehicles in total. The FORS Practitioner workshops organised by the Partnership aimed at fleet managers are being well-supported and we project that, given current take up rates, approximately 350 places will have been filled by the end of the current year's programme in March 2016. These workshops provide valuable advice on a range of 'Best Practice' topics including fleet management, fuel efficiency and reducing the risk of accidents – contributing to the Partnership's goal of a safe, efficient and sustainable freight sector in the region and thus to the overall objectives of the NECA.

9. Digital Connectivity Update

9.1 Introduction

9.1.1 This report also provides an update on activity across the Combined Authority area in respect of our commitment to enhance digital connectivity for economic growth.

9.2 Background

9.2.1 North East priorities for digital connectivity seek to ensure that the region is competitive, and that our businesses and communities can benefit from economic opportunities. Our approach is based around the following key

North East Combined Authority

Leadership Board

areas:

- Supporting the development of digital skills and facilitating take-up
- Delivering hard infrastructure where it is needed
- Delivering superfast broadband
- Supporting business needs and improving digital inclusion

9.2.2 Businesses and residents have expectations for digital connectivity that are comparable to the most advanced cities in the world. It is vital that we are ambitious in our approaches and meet these expectations now and in the future. Digital is an evolving agenda and we must strive to be at the forefront of this agenda for future economic success.

9.3 **Current Activity**

9.3.1 The Digital Leads group held a workshop in December 2015, to develop detailed proposals to accelerate progress. This included the scale and scope of ambition, along with immediate priorities for action to deliver commitments in a devolution agreement for the North East.

9.3.2 The workshop focused specifically on areas of activity that can set the North East apart, by better understanding and utilising our shared assets. For example, fibre attached to the Metro line, capabilities of data centres such as Cobalt, Smart Specialisation, potential for Transatlantic and European connectivity. The group identified a need to map our existing assets, and the potential these can offer, including those owned by the public and private sectors.

9.3.2 Discussion also focused on how we can co-ordinate an approach across the North East to create a demand for Ultrafast from businesses and residents. This can be used to develop a strong offer to investors for future pilots and to increase roll-out. Our business case should be accompanied by simplified and aligned processes – making the region a first choice for private sector investment in infrastructure.

9.3.4 The Digital Leads group is developing a work programme to accelerate progress. This is focused on:

- Achieving vision and future ambition
- Delivery of infrastructure
- Digital Skills and increasing take-up.

9.3.5 The North East Devolution Deal will enable progress through delivery of the following commitments:

- Government and the Combined Authority will agree a joint programme to create the right environment to drive the commercial rollout of ultrafast broadband following successful testing and to ensure 4G services are available to at least 95% of the North East's population. In addition, the Combined Authority will work with businesses and universities in the North East to develop applications for 5G

North East Combined Authority

Leadership Board

technology.

- Government will support NECA to reinvest funds into creative solutions to supply superfast broadband to remaining premises

9.3.6 Other areas of the work programme are being aligned to existing activity and resource as far as possible. This includes:

- Aiming to establish Code Clubs and / or Maker Spaces in all primary schools
- Enabling businesses to exploit digital technologies, particularly where they are not doing so (working with the Growth Hub)
- Encouraging a business-led approach, engaging with private sector partners through network organisations such as Dynamo
- Supporting 'Digital Champions' to meet the needs of their communities

9.3.7 Work is also taking place to assess the potential scope and capacity requirements for future activity that reflects our high levels of ambition. This includes:

- Providing a co-ordinated package of Business Support
- Increasing Digital Inclusion (including potential to use the existing network to improve connectivity in areas with low levels of access – working with the private sector)
- Joining up regional centres (particularly for major employment sites and universities) and Options for European and Transatlantic connectivity that support exports
- Opening up fibre attached to existing networks
- Supporting Smart Specialisation

10. Next Steps

10.1 The North East Combined Authority will continue to work with funding bodies, transport operators and delivery partners to secure a modern, sustainable and efficient transport network and to progress our digital connectivity objectives. Work will continue on developing the Transport Plan for the North East.

11. Potential Impact on Objectives

11.1 Successful delivery of the various transport and digital connectivity schemes and investment proposals outlined in this document will assist the Combined Authority in delivering its objective to maximise the area's opportunities and potential.

North East Combined Authority

Leadership Board

12. Finance and Other Resources

- 12.1 In respect of the Local Growth Fund transport programme, the completion of Business Cases will identify any variations in costs and funding which will need to be managed within available resources and may require decisions to be made about compensating savings elsewhere within the programme. These programme management issues will be considered by TNEC, with recommendations made to NELEP and the Leadership Board for decision.

13. Legal

- 13.1 There are no specific legal implications arising from this report. Where there are references to matters under consideration elsewhere on the Agenda, the legal implications are considered within the report for that Agenda item.

14. Other Considerations

14.1 Consultation/Community Engagement

Many of the transport programmes outlined in this report have been the subject of consultation, at either a regional or national level. Schemes being delivered through the Local Growth Fund programme are the subject of local consultation by the relevant scheme promoters.

14.2 Human Rights

There are no specific human rights implications arising from this report.

14.3 Equalities and Diversity

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

14.4 Risk Management

This report is for information only and there are no specific risk management implications arising from it. Schemes being delivered through the Local Growth Fund programme have their own specific risk management arrangements.

14.5 Crime and Disorder

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

14.6 Environment and Sustainability

Delivery of the various rail, cycling and public transport measures listed in this report should assist in meeting our objectives for a more sustainable transport system and improved air quality.

North East Combined Authority

Leadership Board

15. Background Documents

None.

16. Links to Plans in the Policy Framework

This report has no direct link to plans in the policy framework.

17. Appendices

Appendix A – Infographic depicting key benefits of the new TransPennine and Northern rail franchises.

18. Contact Officers

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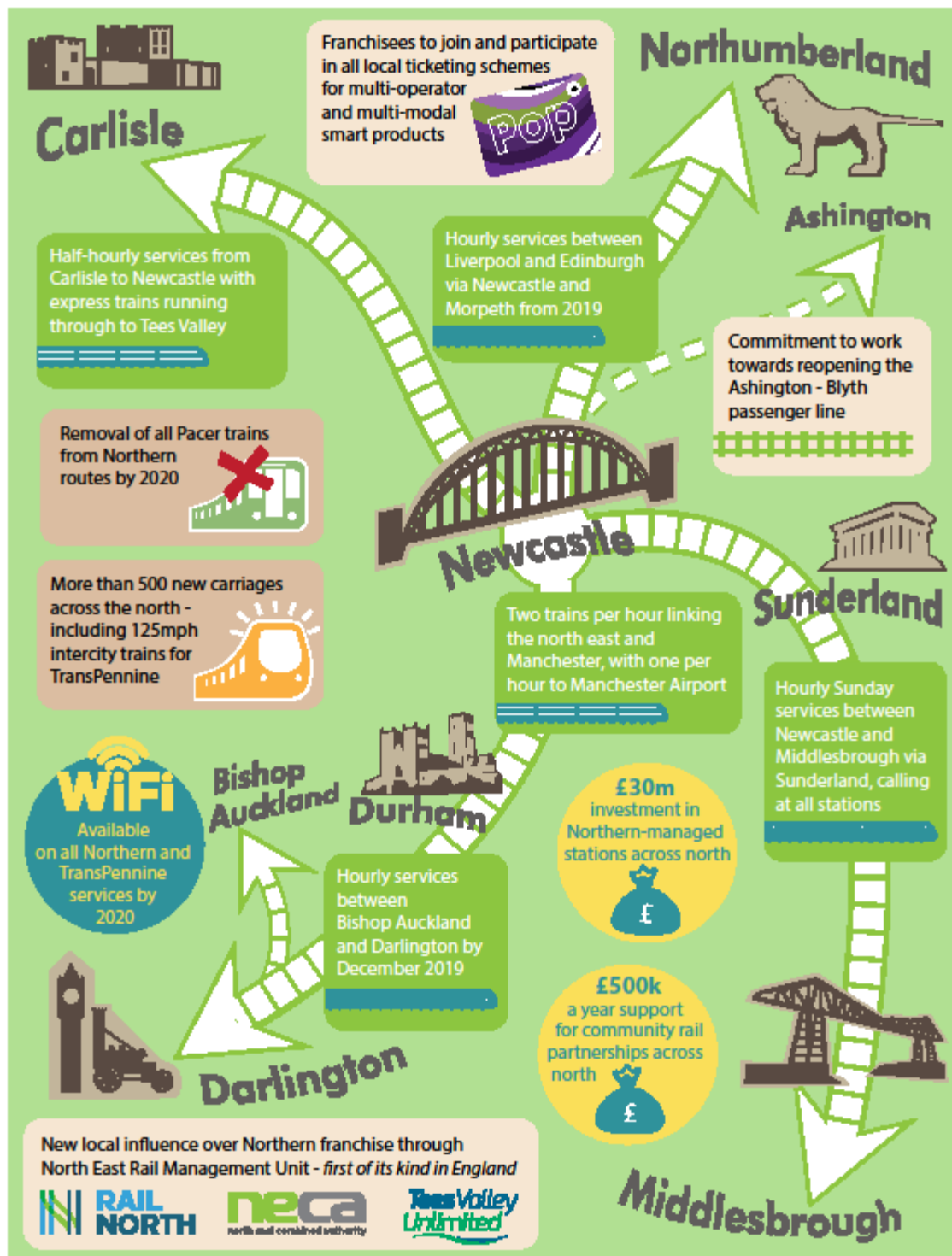
John Bourn, Senior Specialist Transport Planner
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19. Sign off

Head of Paid Service ✓

Monitoring Officer ✓

Chief Finance Officer ✓



NEW RAIL FRANCHISES FOR NORTHERN ENGLAND

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North East Combined Authority

Overview and Scrutiny Committee

Date: 22nd March 2016

Subject: NORTH EAST COMBINED AUTHORITY – PROPOSED
DEVOLUTION AGREEMENT AND ELECTED REGIONAL
MAYOR

Report of: INTERIM HEAD OF PAID SERVICE

Executive Summary

The purpose of this report is to provide the Scrutiny Committee with the current position in relation to the devolution proposals for the region.

Recommendations

It is recommended that the Scrutiny Committee notes the progress on the devolution proposals for NECA, including the proposal for an Elected Mayor for the NECA area, and the public consultation undertaken to date

North East Combined Authority

Overview and Scrutiny Committee

1. Background Information

- 1.1 On 23rd October 2015 the NECA Leadership Board signed a proposed Devolution Agreement (the proposed Agreement) with the Chancellor of the Exchequer and Commercial Secretary setting out the proposed transfer of significant powers for employment and skills, transport, housing, planning, business support and investment from Central Government to NECA. The proposed Agreement also paves the way for further devolution in the future and for the reform of public services including health and social care.
- 1.2 The proposed Agreement is expressed as being “conditional on the legislative process, the Spending Review, further public consultation, agreement by the Constituent Authorities, and the formal endorsement by the Leadership Board and Ministers”.
- 1.3 Included in the proposed Agreement is a proposal that NECA becomes a Mayoral Combined Authority. This proposal is subject to the formal consent of NECA, the Constituent Authorities and the agreement of Ministers.

2. Consultation

- 2.1 The Devolution Agreement entered into between NECA and the Chancellor was conditional upon a number of actions being taken by each party. NECA is required to undertake further public consultation on the devolution proposals and consultation has taken place in each individual local authority area during January and February.
- 2.2 For example, in County Durham residents were invited to take part in a poll asking for feedback on regional devolution proposals. Feedback from the household poll shows that there is support for devolving some power and resources to the North East. Analysis of the results show that a clear majority (59.5 per cent) of those who took part believe that devolving some power and resources to the North East would be a step in the right direction. Just under half of those who took part in the poll (47.8 per cent) thought that the mayor should have limited powers while 40.3 per cent of people felt the mayor should have quite a lot of power and influence. In relation to whether the North East should seek further devolved powers if the agreement goes ahead, 42.9 per cent preferred a cautious approach of waiting to see how things develop. This feedback will help inform the local decision on whether to sign up to a final North East devolution agreement.

North East Combined Authority

Overview and Scrutiny Committee

- 2.3 Each individual local authority has consulted in their local area using a variety of activities including :
- Community News letters delivered to every household with survey questions requesting residents' views
 - Information about the Agreement (and link to Agreement document) on Council websites along with survey questions which can be answered online
 - Sessions at the local area forums
 - Session with businesses representatives
 - Presentation to local authority committees
 - Session with trades unions
- 2.4 NECA has also met with representatives of the voluntary, community and social enterprise sector, the regional business sector and also with trade union representatives.

3. Legislative Process

- 3.1 In terms of the legislative process, the Cities and Local Government Devolution Bill has progressed through the parliamentary processes and has received Royal Assent. This legislation provides for the creation of Mayoral Combined Authorities, and the move to becoming such an authority by the NECA is an integral element of the proposed Agreement.
- 3.2 The legislation provides for the creation of a Mayoral Combined Authority if at least two Constituent Authorities as well as the Combined Authority affected consent. Should any Constituent Authority not consent to the creation of the Mayoral Combined Authority and provided the Combined Authority still wish to proceed, the non-consenting Constituent Authority/Authorities would be removed from the Combined Authority through the Parliamentary process that provides for a new Mayor. Subject to the necessary consents being provided during February and March 2016 it is expected that the requisite legislation will commence Parliamentary processes in May/June 2016 and provide for mayoral elections in May 2017.
- 3.3 In due course further legislation will be required to devolve from Government specific powers to the NECA and also to allocate specific powers to the Mayor, to provide for the election process for a Mayor, to make any necessary amendments to the existing NECA Order including those provisions relating to funding of the NECA, and to make further provision for the operation of NECA's Overview and Scrutiny, Audit and budget setting processes. The legislation will comprise general provisions affecting all Combined Authorities moving to a Mayoral model – there are currently 6 Combined Authorities

North East Combined Authority

Overview and Scrutiny Committee

considering this change including the NECA – as well as bespoke legislation which would bring into effect the specific requirements of the NECA should the creation of a Mayor proceed.

4. Next Steps

- 4.1 Each of the seven Constituent Authorities will consider progress against the conditions set out in the proposed devolution agreement before considering the decision to consent to the creation of a Mayoral Authority. Each council is holding a council meeting to consider the issue before a final decision is made by each Cabinet at local meetings scheduled for 22nd and 23rd March 2016.
- 4.2 Following consideration by the constituent authorities, the NECA Leadership Board will consider whether to formally endorse the proposed agreement and consent to the creation of a Mayoral Combined Authority. This will be decided at the NECA Leadership Board on 24th March 2016. Progressing to the next phase of devolution is dependent on the factors set out above and the timescales set out.

5. Potential Impact on Objectives

- 5.1 The proposed agreement provides for the transfer of significant powers for employment and skills, transport, housing, planning, business support and investment from central government to the North East in order to deliver the funding and responsibilities that are required to accelerate the area's economic growth.

6. Finance and Other Resources

- 6.1 If approved, the Devolution Agreement will bring considerable additional resources from 2016/17 onwards to the NECA area. These additional resources will be administered by the NECA rather than the individual local authorities. The use of these resources will be determined by the Leadership Board following consultation.

7. Legal

- 7.1 The Cities and Local Government Devolution Bill will amend the Local Democracy, Economic Development and Construction Act 2009 by introducing new sections 107A and 107B in to the 2009 Act.
- 7.2 Section 107A gives the Secretary of State the power to provide for the election of a Mayor for a Combined Authority area by making an appropriate Order. The Mayor will be elected by the local government electors across the whole of the NECA area.

North East Combined Authority

Overview and Scrutiny Committee

7.3 Section 107B sets out the requirements that have to be met before an Order providing for the election of a Mayor for a combined authority area can be made. In the case of existing Combined Authority areas, such as NECA, it is proposed that the consent of NECA and at least two Constituent Authorities is required.

8. Other Considerations

8.1 Consultation/Community Engagement

A series of meetings with local and regional stakeholders has taken place to raise awareness of the proposed agreement, discuss the detailed proposals and to find out more about what devolution could mean for the area.

8.2 Human Rights

There are no specific issues arising directly from this report.

8.3 Equalities and Diversity

There are no specific issues arising directly from this report.

8.4 Risk Management

The risks associated with devolved powers and funding streams will be assessed and reported to the Leadership Board as part of the report seeking formal endorsement to proceed to the next stage of the process with Government.

8.5 Crime and Disorder

There are no specific issues arising directly from this report.

8.6 Environment and Sustainability

There are no specific issues arising directly from this report.

9. Background Documents

- Report to NECA Leadership Board – ‘Developing a Devolution Prospectus for the North East Combined Authority’ – 20 January 2015
- Report to NECA Leadership Board – ‘Developing a Devolution Prospectus for the North East Combined Authority – update on stakeholder engagement – 16 June 2015

North East Combined Authority

Overview and Scrutiny Committee

- Report to NECA Leadership Board – ‘Devolution Update’ – 15 September 2015
- Report to NECA Leadership Board – ‘Devolution Update’ – 17 November 2015

10. Links to plans and policy framework

- 10.1 This report will support delivery of each of the Combined Authority themes and “More and Better Jobs”, A Strategic Economic Plan for the North East.

11. Contact Officers

Adam Wilkinson, Interim Head of Paid Service, North East Combined Authority adamwilkinson@northeastca.gov.uk (0191) 643 6402

12. Sign off

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

13. List of Appendices

- (i) Appendix 1 – NECA Devolution Agreement

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HM Treasury



NORTH EAST DEVOLUTION AGREEMENT

DEVOLUTION AGREEMENT BETWEEN GOVERNMENT AND THE NORTH EAST

This document sets out the terms of a proposed agreement between the North East Combined Authority Leadership Board and the Government to move forward with a radical devolution of funding, powers and responsibilities. Final agreement is conditional on the legislative process, the Spending Review, further public consultation, agreement by the constituent councils, and formal endorsement by the Leadership Board and Ministers early in the New Year.

The document we have negotiated together, set out alongside this statement, provides for the transfer of significant powers for employment and skills, transport, housing, planning, business support and investment from central government to the North East. It paves the way for further devolution over time, and for the reform of public services, including health and social care, to be led by the North East.

Devolution must deliver new opportunities for the people of the North East, helping to meet our Strategic Economic Plan to create 100,000 jobs. By prioritising Human Capital development, we will create a radical new approach to enhancing employment and skills, with devolved responsibility for adult skills, co-design of employment support for harder-to-help claimants, and partnership arrangements to create opportunities for young people.

The deal would enable the Combined Authority to create an Investment Fund focused on supporting the North East to compete in international markets, worth up to £1.5 billion, with an initial allocation of revenue funding for capital financing of at least £30 million a year for 30 years. The incoming Mayor would also have the option, with business support, to raise up to a further £30 million a year through a business rate supplement. The North East would in addition benefit from access to Local Growth Funding, from new Enterprise Zones, through the current bidding round, and from local leadership over European funding. Further details would be set out at and following the spending review through a place-based settlement and a single capital programme, demonstrating fair funding.

A Mayor for the North East would be established, working as part of the Combined Authority and subject to local democratic scrutiny, and with a strong partnership with business. Elections would take place in 2017. We will together review the appropriate relationship between the mayor and the role of police and crime commissioners.

We believe we can deliver a deal which is good for the North East, good for our individual communities, and good for the UK. It demonstrates the central role that the North East plays in delivering the ambitions of the Northern Powerhouse. We will now move forward to champion the progressive devolution which the North East demands and expects, with radical reforms of the relationship between the region and central government. Above all, we will help create new opportunities for the people of the North East, more and better jobs, and a greater say over their communities and their future.



HM Treasury



.....
The Rt Hon George Osborne
Chancellor of the Exchequer

.....
Cllr Simon Henig
Chair of the Combined
Authority and Leader of
Durham County Council

.....
Cllr Mick Henry
Vice Chair of the Combined
Authority and Leader of
Gateshead Council

.....
Mayor Norma Redfearn
Vice Chair of the Combined
Authority and Elected Mayor
of North Tyneside

.....
Cllr Nick Forbes
Leader of Newcastle City
Council

.....
Cllr Grant Davey
Leader of Northumberland
County Council

.....
Cllr Iain Malcolm
Leader of South Tyneside
Council

.....
Cllr Paul Watson
Leader of Sunderland City
Council

.....
Paul Woolston
Chair of the North East
Local Enterprise Partnership

.....
Lord O'Neill
Commercial Secretary to
The Treasury

Governance

1. The proposal for a Mayoral Combined Authority is subject to the final formal consent of the Combined Authority (Leadership Board), the constituent councils, agreement of ministers, and to the Parliamentary process for the necessary primary legislation (The Cities and Local Government Devolution Bill and the proposed Buses Bill) and subsequent orders. This agreement is also conditional on the outcome of the Spending Review.
2. The Mayor will be the Chair and a Member of the North East Combined Authority and subject to the Authority's Constitution and associated procedures (to be amended in the light of the introduction of a Mayor). The powers contained in this deal document will be devolved from Government to the Mayoral Combined Authority. The Mayor will exercise certain powers with personal accountability to the electorate, devolved from central Government and set out in legislation:
 - Responsibility for a devolved and consolidated transport budget, with a multi-year settlement to be agreed at the Spending Review
 - Responsibility for franchised bus services and, through Rail North, franchised rail services, contributing to the delivery of smart and integrated ticketing across the North East.
 - Powers over strategic planning, including the responsibility to create a North East Planning Development Framework and to chair a new North East Land Commission to release land for development.
 - Powers to place a supplement on business rates to fund infrastructure, with the agreement of the local business community through the local enterprise partnership, up to a cap.
3. The North East Combined Authority (NECA), working with the Mayor, will receive the following powers:
 - To create a North East Combined Authority Investment Fund, bringing together funding for devolved powers and used to deliver a 15 year programme of transformational investment in the region.
 - Control of a new £30 million a year funding allocation over 30 years, to be included in the NECA Investment Fund and invested to boost growth.
 - Joint responsibility for an Employment and Skills Board, that will undertake a comprehensive review and redesign of the post-16 education, skills and employment support system in the North East, delivered through the area-based review of post-16 provision, devolution of adult skills funding by 2018/19 and co-design by Government and NECA of employment support for harder-to-help claimants
 - Responsibility for a devolved approach to business support from 2017, including further responsibility for UKTI export advice services, to be developed in partnership with Government.
 - Joint responsibility for the rollout of broadband across the North East.
 - Increased devolved responsibility for rural growth.

4. Other members of the North East Combined Authority Leadership Board (to be renamed as a Cabinet) will become portfolio leads for the Combined Authority's responsibilities, on the basis to be set out in its Constitution, and take on delegated powers as agreed with the Mayor. Cabinet portfolios will be established for all leaders, building on the existing arrangements established within the Combined Authority.
5. The Mayor for the North East will be elected by the local government electors for the areas of the constituent councils of the North East Combined Authority. Subject to parliamentary time allowing for the passage of legislation through parliament, the first election will be held in May 2017.
6. Proposals for decision by the Combined Authority may be put forward by the Mayor or any Cabinet Member. All members including the Mayor will have one vote. Any questions that are to be decided by the Combined Authority are to be decided by a majority of the members present and voting, unless otherwise set out in legislation. Decisions by the Combined Authority should have the support of the Mayor, unless set out otherwise in the Authority's Constitution, or specifically delegated to Cabinet members. The Cabinet will examine the Mayor's draft annual budget, plans and strategies and will be able to amend them if two-thirds of the members who have been appointed by the constituent authorities agree to do so.
7. The Overview and Scrutiny arrangements currently established for the Combined Authority will be retained, subject to any amendments required to reflect the introduction of the Mayor and any new statutory provisions.
8. Any transfer to the Combined Authority or Mayor of existing powers or resources currently held by the constituent authorities must be by agreement, unless set out in legislation.
9. The Combined Authority will work with partners across the North of England to promote opportunities for pan-Northern collaboration, including Transport for the North, to drive northern productivity and build the Northern Powerhouse.
10. Arrangements will be made to ensure a strengthened role for business working with the Mayor and Combined Authority.

Finance and Funding

11. Future funding outcomes under this agreement should take account of:
 - a. The scale of opportunities presented in the overall devolution portfolio.
 - b. Ensuring the North East is not disadvantaged in relation to the fiscal freedoms granted to the Scottish Government.
 - c. Ensuring the North East does not suffer disproportionately from future reductions in funding through a fair funding settlement.
 - d. The ability for the Combined Authority to bid into any additional resources that become available over the 15 year period, on a fair and equitable basis.
12. The North East Combined Authority will create a fully devolved funding programme covering all budgets for devolved functions ("The North East Investment Fund"), accountable to the Combined Authority. The Fund will operate as a single programme,

bringing together resources for economic growth, skills and employability, regeneration, transport and housing; including allocations from the Local Growth Fund.

13. The Combined Authority will use the North East Investment Fund to deliver a 15 year programme (2016-2031) of transformational long-term investment. A minimum commitment of capital and revenue spending from Government will be set by agreement through the Spending Review.
14. As an initial allocation to the Investment Fund, an allocation of £30 million a year for 30 years (2016-46) in revenue funding for capital financing and other costs will be made, allowing the North East Combined Authority to create an investment fund up to £1.5 billion, subject to 5-yearly gateway assessments to confirm the investment has contributed to national growth. In addition, the Mayor will be given the power to place a supplement on business rates to fund infrastructure, with the agreement of the local business community through the local enterprise partnership, up to a cap. In the North East this could provide up to an additional £30 million a year in revenue funding to double the size of the Fund.
15. In addition, the North East will bring forward a proposal for consideration by Government for a single allocation of the Local Growth Fund to support a programme of investment, including an element of flexible revenue funding, committed over a 5 year period, and devolved to the Combined Authority.
16. The costs of the Mayoral Combined Authority will be met from within the overall resources devolved to the Combined Authority.
17. Where functions are agreed to be devolved or to be jointly accountable, the Spending Review will identify a fair level of revenue funding for those functions over the Spending Review period, in the form of a place-based funding settlement for the North East Combined Authority.
18. Within its powers and resources, the Combined Authority will have full flexibility, without reference to government departments, to:
 - a. Make multi-year commitments to projects and programmes
 - b. Secure substantial private and public sector leverage
 - c. Vire resources between projects and programmes, and across financial years
 - d. Use capital receipts from asset sales as revenue funding for public service transformational initiatives.
19. The Cities and Local Government Devolution Bill currently in Parliament makes provision which will govern further prudential borrowing for Combined Authorities. Following Royal Assent, Central Government will work with the Combined Authority to determine how these powers could apply within a framework of fiscal responsibility and accountability to the Combined Authority and local authorities.
20. The North East will receive additional Enterprise Zones and/or extension of existing zones, subject to the current bidding round for further Enterprise Zones.
21. The Combined Authority and Government will pilot a scheme which will enable the Combined Authority to retain all business rate growth that would otherwise have been paid as central share to government, above an agreed baseline, for an initial period

of five years. Government and the Combined Authority will also discuss wider localisation of business rates.

22. The Government agrees to delegate to the North East Combined Authority project selection powers for the European Regional Development Fund and the European Social Fund. The Combined Authority will be granted Intermediate Body status to deliver these delegated powers. This will allow the North East to integrate and align investments with other aspects of the devolution deal, to select projects for investment, to improve performance and maximise economic impact. The Government will work with the Combined Authority to agree the detail of this delegation and, subject to agreement, it is expected to begin from April 2016.
23. Government will ensure fair funding for the constituent authorities, and the Combined Authority will publish an annual report setting out the overall extent of, and prospects for, public funding within its area.

Human Capital Development

24. The North East Combined Authority will create an integrated employment and skills system tailored to the specific needs of the area, and thereby raise labour market participation and skills at all levels, to increase productivity, improve the life chances of young people, help people into work and meet the skills shortages experienced by North East employers.
25. This process will be overseen by an Employment and Skills Board with dual accountability to both the North East Combined Authority and to Government. The Board will bring together relevant senior representation from the Combined Authority; the Department for Business, Innovation and Skills; Department for Education; Department for Work and Pensions; the Regional Schools Commissioner (with their agreement); appropriate representation from business; and, HM Treasury. The Board will be chaired by the Commercial Secretary to the Treasury, Lord O'Neill.
26. The Board will:
 - a. Undertake a comprehensive review and redesign of the post-16 education and skills system and employment support for harder-to-help claimants in the North East. This will encompass the current area-based review of post 16 education and training institutions. The Board will subsequently evaluate the strategic fit and effectiveness of this system in meeting the future needs and demands of the local labour market.
 - b. Facilitate the full devolution to the Combined Authority of the 19+ adult skills budget, at the latest by 2018, subject to agreement on readiness to take on these responsibilities.
 - c. Develop key local strategies and plans for post-16 learning provision.
 - d. Collaborate to maximise the opportunities within the North East presented by the introduction of the apprenticeship levy and any annual underspends within the national Employer Ownership of Skills pilot programme (subject to the Spending Review).
 - e. Actively stimulate, promote and champion initiatives that seek to strengthen

and deepen partnerships between education and business to provide a focus upon economically-driven activity, such as vocational training (including 19+ apprenticeships and traineeships); experience of work; and, enterprise learning.

- f. Facilitate joint responsibility between Government and the Combined Authority to co-design the future employment support from April 2017 for harder-to-help claimants, many of whom are currently referred to the Work Programme and Work Choice.
- g. Examine the case for further devolution of employment and skills powers and budgets and bring forward proposals to government for potential transfer of accountability to the North East Combined Authority, in time to implement any resulting reforms by April 2019.

27. The Combined Authority will create a Service Transformation Fund, to support early intervention to support individuals and families with complex needs, to reduce high dependency on public services and support economic participation, supported by a data sharing agreement and other measures to promote the integration of local public services.

Supporting and Attracting Business and Innovation

28. The North East Combined Authority will simplify and strengthen the support available for business growth, innovation and global trade in the North East in order to create more and better jobs. To deliver this commitment:

- a. Working within the scope of existing contracts (2015/16 and 2016/17), the Government will work with the North East to align the Business Growth Service and other national services with local business support through its Growth Hub, to give businesses a joined-up, simplified service that meets their needs. The North East will take full responsibility for a devolved approach to business support from 2017 onwards.
- b. The Government and North East Combined Authority will work to devolve further responsibility for UK Trade and Investment (UKTI) Export Advice services. This will include ring-fencing and a dual key approach to activities, and enhanced reporting on outputs and outcomes by UKTI.
- c. Government and the Combined Authority will take joint responsibility for the delivery of inward investment into the region. There will be a strengthened partnership between locally delivered services and UKTI, with a quarterly board to follow-up on progress. The Government will consider the case for creating a Northern Powerhouse hub for foreign investment, in discussion with key partners including the North East. This approach will be focused on maximising high level jobs and long-term economic impact.
- d. Government will offer the Combined Authority expert advice and support to put forward a strong proposal for a science and innovation audit. The audit would allow the Combined Authority to work with its universities and businesses to map the strengths of the North East. This would provide a new and powerful way to understand the region's strengths and how to maximise

the economic impact from the UK's research and innovation investment nationally. The audit would, for example, provide Government with part of the evidence base on which to make decisions on any further catapults and could be used to explore the North East's potential in smart data.

29. Government and the Combined Authority will agree a joint programme to create the right environment to drive the commercial rollout of ultrafast broadband following successful testing and to ensure 4G services are available to at least 95% of the North East's population. Government will also support the Combined Authority to reinvest funds into creative solutions to supply superfast broadband to remaining premises. The Combined Authority will work with businesses and universities in the North East to develop applications for 5G technology.
30. The Combined Authority will commission a feasibility study into the establishment of a National Smart Data Institute in the North East.

Health and Social Care Integration

31. The North East Combined Authority and the NHS will jointly establish a Commission for Health and Social Care Integration, chaired by a senior national figure, to establish the scope and basis for integration, deeper collaboration and devolution across the Combined Authority's area, in order to improve outcomes and reduce health inequalities. It will report by Summer 2016. Terms of reference, agreed between the Combined Authority and NHS England, are attached.
32. The Commission will look across the whole system, including acute care, primary care, community services, mental health services, social care and public health. It will strengthen the NHS in the North East Combined Authority area, and continue to uphold its values, standards and constitution. The commission will build on best practice, including pioneer status, and the experience of integration in Northumberland.

More and Better Homes

33. The Combined Authority and its constituent authorities will support an ambitious target for the increase in new homes, and will report annually on progress against this target. To ensure delivery of this commitment, the Combined Authority and Government agree to:
 - a. Establish a North East Land Board to review all land and property held by the public sector, and all suitable brownfield land, to identify surplus land in suitable locations for housing or economic development use.
 - b. Devolve statutory planning powers, including Compulsory Purchase Order powers and those powers available to the Homes and Communities Agency. These powers would be exercised, where needed, by the Mayor, with the consent of the Combined Authority and member(s) appointed to the Combined Authority by the relevant local authority in which the powers are exercised, to drive housing delivery and improvements in the stock of housing in the North East.

- c. The creation of a North East Planning Development Framework (not a regional spatial strategy) led by the Mayor, to enable the constituent authorities to deliver on housing growth. This will create an overarching framework for development in the North East, delivering the National Planning Policy Framework according to the specific needs of communities in the North East, supporting local development frameworks, and incorporating the duty to cooperate between the constituent local authorities.
- d. Support effective close working between the Housing and Communities Agency and the Combined Authority to ensure a focus on delivering housing on growth sites within the region.

Transport

34. The Mayor and the Combined Authority, will create the UK's first fully integrated transport system, with the ambition to bring together responsibilities for rail, local highways, metro, buses and ferries, for both urban, sub-urban and rural communities.

To achieve this ambition:

- a. The Government is bringing forward legislation, as part of the Cities and Local Government Devolution Bill, to allow for the devolution of transport powers and funding to the Combined Authority to be exercised by the Mayor.
- b. Specific delivery arrangements will reflect the particular transport needs and challenges of areas within the region, including the option for the Mayor to delegate specific responsibilities to the Combined Authority or individual Cabinet members, for example over rural transport.
- c. Government will devolve a consolidated local transport budget with a multi-year settlement to be agreed at the Spending Review, including all relevant local highways and sustainable travel funding.
- d. Government will consider establishing and devolving a long-term funding programme to support investment in the Metro. This will include, :
 - a. Considering, through the spending review, setting a multi-year funding allocation for Metro reinvention phase 2, committed up to 2020-21,
 - b. The Combined Authority producing a business case, for consideration by Government, for investment in the Metro network to 2030, including the upgrade of the Metro fleet , potential expansion, and future integration of the Metro with the rail network.
- e. Rail North will, in partnership with DfT, assume full responsibility for oversight of the Northern and TransPennine Express franchises from April 2016, with the aim of delivering further improvements in rolling stock quality, frequency and quality of services, and new connections. As part of this arrangement, the Mayor and Combined Authority, with Tees Valley, Cumbria and North Yorkshire, will oversee rail matters included within the North East Business Unit area. As part of this, the Combined Authority and Government will consider a business case for the re-establishment of passenger services on the Ashington, Blyth and Tyne line.

- f. Longer-term, the Mayor and the Combined Authority, will bring forward a business case, for consideration by Government, for the unification and full devolution (beyond the forthcoming Northern franchise) of the management of rail and metro services within the North East, with the aim of creating the UK's first integrated regional rail network combining light and conventional rail.
- g. The Mayor and the Combined Authority will deliver a fully multi-modal smart ticketing and transport information network across the North East, aligned with the plans of Transport for the North on the implementation of integrated smart ticketing across the North.
- h. The Combined Authority will take forward, in accordance with the quality contract process, its existing proposals for the franchising of bus services from 2017, with the ambition for further extension to communities in Durham and Northumberland. Government will work with the Combined Authority to support the delivery of effective bus services in the North East, with the option for the Mayor to use additional powers through the Buses Bill, subject to necessary legislation and local consultation.
- i. On strategic, inter-regional transport issues and investment, DfT, Network Rail, Highways England and HS2 will continue to work with the North East Combined Authority and Mayor through Transport for the North, which will be put on a statutory footing by 2017.
- j. To support better integration between local and national networks, the Government and the North East Combined Authority will enter into joint working with Highways England and Network Rail on operations, maintenance and local investment through a new joint agreement on the delivery of investment and operations, which will be established by 2016.

Rural Growth and Stewardship

- 35. Government will support the existing North East Rural Growth Network and approved LEADER programmes, and will work towards the devolution of rural growth programmes to the North East, including closer coordination of future stewardship and environmental programmes, to a timetable to be agreed by 2016.
- 36. The Government will explore with the Combined Authority and Northumberland National Park Authority the options to give the Park Authority greater commercial freedom.

Regulatory Powers

- 37. Government and the Combined Authority will review which regulatory and planning powers that are currently held by ministers and public authorities should be transferred to the Combined Authority, to be exercised with the agreement of, or following a proposal from, the constituent authority or authorities in which those powers are applied. The powers to be reviewed include those that:

- a. support the Combined Authority's transport, regeneration and housing functions;
- b. promote safe and high quality neighbourhoods and town centres;
- c. support housing growth;
- d. support improvements in the quality of housing and challenge poor quality landlords; and
- e. promote public health by addressing obesity, smoking and substance misuse.

Events

38. The Combined Authority will work with the Government to identify ways for the North East to play a major role in the UK's programme of business, cultural and sporting events.

Other areas

39. This deal represents a first step in a progressive process of devolution of funding, powers and responsibilities to the North East. As well as the areas set out in this deal, the Combined Authority and Government will consider further opportunities for devolution, including but not limited to:

- a. Business cases for the relocation of significant government functions from London to the North East;
- b. Devolution of funding and assets held by central government which could be devolved to support faster housing and regeneration;
- c. Devolution of climate change initiatives, support for investment in energy efficiency and technological development;
- d. Measures to implement the Prime Minister's commitment to protect Newcastle Airport from the impact of devolution of Air Passenger Duty to Scotland;
- e. Opportunities for joint initiatives between the North East and Scotland, in areas such as tourism, culture, transport and industrial collaboration.
- f. Proposals for an appropriate relationship between the functions of a Mayor and future role of the Police and Crime Commissioners, including in relation to fire services, to be developed, subject to local consent and a business case developed jointly by PCCs and council leaders, and in consultation with the Fire and Rescue Authorities.

Delivery, Monitoring and Evaluation

40. The North East Combined Authority will work with the Government to develop an agreed implementation, monitoring and evaluation plan in advance of implementation, which sets out the proposed approach for evaluating the impact of devolution.

41. The North East Combined Authority and Government will agree a process to manage local financial risk across local public bodies and will develop written agreements to agree accountability between local and national bodies on the basis of the principles set out in this document.
42. The provisions of this deal will be monitored by a Steering Group of senior officials from the Combined Authority and Government, meeting at least quarterly, with any issues of concern escalated to Ministers and Leaders to resolve, in keeping with the letter and spirit of this deal.

NE COMBINED AUTHORITY AND THE NHS

COMMISSION ON HEALTH AND SOCIAL CARE

TERMS OF REFERENCE

The North East Combined Authority and the NHS will jointly establish a Commission for Health and Social Care Integration, chaired by a senior national figure, to establish the scope and basis for integration, deeper collaboration and devolution across the Combined Authority's area¹, in order to improve outcomes and reduce health inequalities.

The Commission will look across the whole system, including acute care, primary care, community services, mental health services, social care and public health. It will strengthen the NHS in the North East Combined Authority area, and continue to uphold its values, standards and constitution.

Membership will be determined by agreement, and include representation from the Department of Health, NHS England, the Combined Authority, Clinical Commissioning Groups, the Voluntary and Community Sector, and Providers.

The Commission will produce a report, by Summer 2016, setting out the case for further devolution and integration, and the steps that would be required to deliver them, with a view to:

- Ensuring that the system is financially sustainable, with a clear and credible plan, by identifying areas for investment of the North East's fair share of the additional resources available for the NHS, demonstrating how efficiencies can be secured through integrated delivery of services and service transformation, and reinvesting savings to improve health outcomes.
- Establishing a mechanism for the North East to input into decisions about the use of NHS capital investment in the area.
- Advising on which additional services commissioned by NHS England might be suitable for either co-commissioning with CCGs or for devolution, driven by a principle of subsidiarity.
- Setting out a plan for improvement of public health outcomes across the North East, narrowing health inequalities within and beyond the region.

¹ "North East" in this context means the area covered by the North East Combined Authority (Durham, Gateshead, Newcastle, North Tyneside, Northumberland, South Tyneside and Sunderland).

- Establishing a close link with the Combined Authority’s proposals for devolution of human capital development, in particular measures to address worklessness and inequality; assessing the feasibility of options for the devolution of powers to address public health challenges, including obesity, smoking and substance misuse; and linking to plans for innovation and economic growth.
- Proposing the most appropriate governance mechanism for devolution or joint accountability arrangements for any aspect of NHS spending, commissioning and performance management which the Commission recommends are devolved.
- Establishing the basis for democratic, legal and financial accountability to local leaders and communities and to NHS England, ministers and parliament.
- Developing an appropriate joint management regime between councils and NHS partners, effective operational and risk management arrangements, and a clear plan and timeline for transition.
- Ensuring that service delivery operates on the basis of subsidiarity, with local partnerships meeting the diverse needs of local communities on the basis of clear locality plans executed within an agreed framework.
- Recognising interdependencies and involving health and social partners in surrounding areas which would potentially be affected, or where there is potential benefit from delivering services in partnership.
- Identifying opportunities to accelerate progress in implementing the Five Year Forward View, building on existing initiatives.

In recognition of the progress already made towards integration and new models of care by particular areas in the North East, the Commission may make recommendations that allow for a faster pace of change in areas that have already made significant progress.

Any resulting devolution proposals will need to be formally agreed by the Combined Authority and either the NHS England Board (thereby ensuring consistency with NHS England’s principles and criteria for devolution) or, depending on the nature of the proposal, the Department of Health.

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North East Combined Authority

Overview and Scrutiny Committee

Date: 22nd March 2016

Subject: Forward Plan & Scrutiny Work Programme

Report of: Monitoring Officer

Executive summary

The purpose of this report is to provide scrutiny members with an opportunity to consider the items on the Forward Plan for the current 28 day period and to review the updated Annual Work Programme for 2015/16.

Recommendations

It is recommended that the Overview and Scrutiny Committee considers the Forward Plan in relation to the development of the committee's work programme and notes the revisions to the work programme since the last meeting.

North East Combined Authority

Overview and Scrutiny Committee

1. Background Information

- 1.1 The Forward Plan is a document which lists the decisions that the North East Combined Authority committees intend to take in the coming months. The Forward Plan 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.
- 1.2 Details of each decision are usually included on the Forward Plan 28 days before the report is considered and any decision is taken.

2. Role of Overview and Scrutiny

- 2.1 One of the main functions of this Committee is the review and scrutiny of decisions made by the North East Leadership Board (NELB), the Transport North East Committee (TNEC), Transport North East (Tyne and Wear) Sub-Committee (TWSC) and Nexus. Durham County Council (DCC) and Northumberland County Council (NCC) are also subject to overview and scrutiny in relation to transport functions delegated to them, as is the North East Local Enterprise Partnership (NELEP) to the extent of the NECA's role as its accountable body. One of the ways this can be achieved is by considering the forthcoming decisions of those various decision making bodies
- 2.2 In considering items in the Forward Plan, the Scrutiny Committee should determine whether scrutiny can add value in relation to the decision being made.
- 2.3 To this end, the most recent version of the Forward Plan is attached marked Appendix 1.

3. Annual Work Programme

- 3.1 The Scrutiny Committee's Annual Work Programme is attached as Appendix 2.
- 3.2 The work programme has been compiled to allow the Scrutiny Committee to have 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.

North East Combined Authority

Overview and Scrutiny Committee

3.3 The NECA 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) The Budget and Policy Framework
- c) The Forward Plan
- d) The three Thematic Leads
- e) Evidence for the policy review

4. Policy Review – Transport Related Barriers to Employment

4.1 The Scrutiny Committee is continuing to gather evidence for a policy review of transport related barriers to education, employment and training. The review will contribute to the North East Transport Plan. The Plan will contribute to the delivery of “More and Better Jobs”.

5. Next Steps

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 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 way.

5.3 The draft work programme will be refreshed and updated at each meeting of the scrutiny 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, Nexus and NELEP as well as providing appropriate challenge to decisions taken.

7. Finance and Other Resources

7.1 No financial or other resource implications are identified at this stage. The financial impact of any proposals or recommendations should be taken into account and any significant implications should be reflected in any considerations and comments made by the Scrutiny Committee.

8. Legal

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

North East Combined Authority

Overview and Scrutiny Committee

9. Other Considerations

9.1 Consultation/Community Engagement

Not applicable

9.2 Human Rights

There are no specific human rights implications arising from this report.

9.3 Equalities and Diversity

Not applicable

9.4 Risk Management

Not applicable

9.5 Crime and Disorder

Not applicable

9.6 Environment and Sustainability

Not applicable

10. Background Documents

10.1 None

11. Links to the Local Transport Plans

11.1 None

12. Appendices

12.1 Forward Plan - Appendix 1
Work Programme - Appendix 2

13. Contact Officers

13.1 Karen Brown, Scrutiny Officer, karen.brown@sunderland.gov.uk

Sign off

- Head of Paid Service ✓

North East Combined Authority

Overview and Scrutiny Committee

- Monitoring Officer ✓
- Chief Finance Officer ✓

14. Glossary

Forward Plan – list of decisions to be taken in the next 28 days

Work Programme – schedule of reports to be taken over the year

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Work Programme 2015/16

Date	Items	Lead Officer	Informal Briefings / Development Days
22 nd June (Durham)	Appointment of Chair & Vice-Chair	Viv Geary	13 th July – CfPS Development Session
	NELEP annual report 2104/15	Bob Paton	
	NELEP overview of funding	Paul Woods	
	Scope of Policy Review – Transport related barriers to employment	John Bourn	
	Forward Plan & Work Programme	Karen Brown	
21 st July (Sunderland)	Policy Review – Local Sustainable Transport Funded Projects	Project Managers	
	NECA Devolution Proposals Update	Vince Taylor	
	Financial Monitoring Update – Outturn 2014/15		
	Forward Plan & Work Programme	Karen Brown	
8 th September (Gateshead)	Thematic Lead Update – Employability : focus on Apprenticeships	Shona Duncan, Employment & Skills Manager, North Tyneside Council	
	Policy Review: Transport Barriers to Employment – Evidence from Nexus	Huw Lewis, Nexus	
	Forward Plan & Work Programme	KB	
20 th October (Newcastle)	Transport Lead Update Report	Ian Coe	
	Devolution Update	Adam Wilkinson	
	Policy Review: Transport Barriers – evidence from Stagecoach	Robin Knight	
	Forward Plan & Work Programme	KB	
1 st December (North Tyneside)	Draft Budget 2016/17	Paul Woods	
	Policy Review – Written Submissions	KB	
	Nexus Performance update	Tobyn Hughes	
	Devolution Update	Adam Wilkinson	
	Forward Plan & Work Programme	KB	
9 th February (South Tyneside)	Economic Development Thematic Lead Update	Thematic Lead Member	
	Transport Manifesto	Ian Coe, Principal Transport Planner, NECA	
	Policy Review Evidence	PTUG	
	Forward Plan & Work Programme	KB	
22 nd March (North Tyneside)	Network Rail	Mark Tarry, Area Manager NR	Policy Review: Evidence Session tba
	Forward Plan & Work Programme	KB	
	Transport Lead Update	Thematic Lead	
	Devolution Update	AW	

In addition to the schedule items, the following items will be included in the work programme.

Shared Services	Opportunities for sharing the delivery of services between authorities. This could involve reviewing the progress currently being made with the sharing of services across the seven authorities within the NECA three key priority areas.
Strategic Planning Frameworks	Partnership and collaboration in joining up local development planning frameworks to support devolved decision making
Child Poverty	Child Poverty Commission's Plan for Regions



Forward Plan of Decisions

Published 7 March 2016 *

Page 61

The Forward Plan for the North East Combined Authority (NECA) is prepared and published by the Monitoring Officer for the purpose of giving the 28 day notice of decisions that are planned to be taken by the NECA, its committees or a Chief Officer, which impact on the key areas of the NECA, namely Transport, Economic Development, Regeneration, Skills and Inclusion.

Unless otherwise indicated, if you require any further information or wish to make representations about any of the matters contained in the Forward Plan, please contact the appropriate officer as detailed against each entry at least 7 days before the meeting.

***The most recent entries are referred to as “NEW”. Updated entries are referred to as “Updated”.**

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
A. North East Leadership Board (Leadership Board)							
A 1.	24 March 2016	Leadership Board (extraordinary meeting)	<p>North East Combined Authority Devolution Deal</p> <p>To consider the devolution proposals for the North East Combined Authority (NECA) and the establishment of the NECA as a Mayoral Combined Authority.</p>	Corporate issue	The Leaders and Elected Mayor as well as the Chief Executives of the Constituent Authorities will be consulted on this item.	North East Combined Authority Devolution Deal	<p>Vivienne Geary Monitoring Officer 0191 6435339 viv.geary@northtyn.eside.gov.uk</p>
A 2.	24 March 2016	Leadership Board (extraordinary meeting)	<p>Local Growth Fund - Project Approvals</p> <p>This report will include the approval of funding or contractual arrangements that may be necessary from NECA for projects to proceed and achieve the delivery of the Local Growth Fund programme. It will include recommendations to help the delivery of the</p>	The projects relate to the thematic areas of Transport and Economic Development and Regeneration .	Any, where necessary	Held by the Contact Officer	<p>Paul Wood Chief Finance Officer paul.woods@northeastca.gov.uk</p>

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			<p>expenditure targets for 2015/16 as well as enabling projects to proceed to in a timely fashion to achieve the outcomes of the Strategic Economic Plan.</p> <p>Project approvals are likely to include updated funding arrangements for schemes that are already included in the Local Growth Fund programme, including Lindisfarne Roundabout, South Shields Interchange and Scotswood Bridgehead Improvements. It is also likely to include revised funding arrangement for schemes already approved as part of the Round 1 Enterprise Zone, including the North Bank of Tyne</p>				

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			Enterprise Zone enabling works.				
A 3.	24 March 2016	Leadership Board (extraordinary meeting)	<p>Tyne Tunnels Tolls 2016/17</p> <p>To set the level of the tolls at the Tyne Tunnels for all classes of vehicles and specify the discount for permit holders.</p>	Transport	Consultation with statutory officers and Department for Transport	2016/17 Budget Report	<p>Paul Woods Chief Finance Officer paul.woods@north-eastca.gov.uk</p>
<p>A 4.</p> <p>(Item moved to the next ordinary meeting of the Leadership Board, scheduled for 19 April 2016)</p>	24 March 2016	Leadership Board (extraordinary meeting)	<p>Draft Sustainable Urban Development Strategy</p> <p>For the Sustainable Urban Development Strategy to be agreed by the Leadership Board.</p>	Economic Development and Regeneration	An extensive consultation exercise has been used to inform the development of the Sustainable Urban Development Strategy. Key stakeholders have been engaged throughout the development process through a partner working group.	Draft Sustainable Urban Development Strategy	<p>Lee Cranston Strategy Development Manager 01914247792 lee.cranston@southtyneside.gov.uk</p> <p>James Davies Programme Manager 01913387430 james.davies@nelep.co.uk</p> <p>Representations to be forwarded to the Contact Officer 10 days before the</p>

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
							meeting.
A5.	24 March 2016	Leadership Board	<p>Membership of the Leadership Board</p> <p>The Appointment of the Local Enterprise Partnership Member to the Leadership Board</p> <p>The Leadership Board will be required to appoint the Local Enterprise Partnership Member to the Leadership Board as nominated by the North East Local Enterprise Partnership.</p>	Corporate issue	The Leaders and Elected Mayor as well as the Chief Executives of the Constituent Authorities will be consulted on this item.	The Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order 2014.	<p>Vivienne Geary Monitoring Officer North East Combined Authority 0191 643 5466 Viv.Geary@northtyneside.gov.uk</p>
A 6.	24 March 2016	Leadership Board	<p>Tyne and Wear Bus Strategy – Next Steps</p> <p>To provide information and outline the next steps in regard to the Tyne and Wear Bus Strategy.</p>	Transport	The report has been prepared through Nexus' internal reporting arrangements and a briefing will be provided to Leaders.	Quality Contracts Scheme Update Report to Leadership Board on 17 November 2015	<p>Tobyn Hughes Managing Director (Transport Operations) 0191 203 3246 tobyn.hughes@nexus.org.uk</p>
A 7.	19 April 2016	Leadership Board	<p>Devolution Update</p> <p>To note the latest</p>	Corporate Issue	The Leaders and Elected Mayor as well	To be confirmed in the report to	Adam Wilkinson Head of Paid Service North East

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			developments.		as the Head of Paid Service and the Chief Executives of the Constituent Authorities will be consulted on this item.	the Leadership Board	Combined Authority 0191 643 5689 adam.wilkinson@northeastca.gov.uk
A 8.	19 April 2016 and then all ordinary meetings	Leadership Board	Update reports from Thematic Leads: <ul style="list-style-type: none"> • Economic Development and Regeneration; • Employability and Inclusion; and • Transport 	All	To be confirmed	Held by the Contact Officer	Economic Development and Regeneration: Beverley Poulter Lead Policy Officer Sunderland City Council 0191 561 1150 beverley.poulter@sunderland.gov.uk Employability and Inclusion: Janice Rose Economic and Inclusion Policy Manager Northumberland County Council 01670 624747

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
							janice.rose@northumberland.gov.uk Transport: Mark Wilson Head of Transport Policy 0191 211 5679 mark.wilson@newcastle.gov.uk
A 9.	19 April 2016 and any future meeting	Leadership Board	Project Approvals This is a standing item, which will include the approval of any funding or contractual arrangement that may be necessary from NECA for projects to proceed. This includes projects where funding is allocated directly to NECA or projects where funding is approved by the NELEP Board, where the approval may also be necessary from	The projects could relate to any of the thematic theme areas – Transport; Economic Development and Regeneration ; or Employability and Inclusion.	Any, where necessary.	Held by the Contact Officer	Paul Woods Chief Finance Officer North East Combined Authority 07446936840 paul.woods@northeastca.gov.uk

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			NECA in its role as accountable body. The report may include information about projects approved under delegated arrangements in between formal meetings, to enable projects to proceed in a timely fashion to achieve the outcomes of the Strategic Economic Plan.				
A 10. NEW	19 April 2016	Leadership Board	Draft Sustainable Urban Development Strategy For the Sustainable Urban Development Strategy to be agreed by the Leadership Board.	Economic Development and Regeneration	An extensive consultation exercise has been used to inform the development of the Sustainable Urban Development Strategy. Key stakeholders have been engaged throughout the development	Draft Sustainable Urban Development Strategy	Lee Cranston Strategy Development Manager 01914247792 lee.cranston@southtyneside.gov.uk James Davies Programme Manager 01913387430 james.davies@nelep.co.uk Representations to

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
					process through a partner working group.		be forwarded to the Contact Officer 10 days before the meeting.
B. Transport North East Committee (TNEC)							
B 1.	Any relevant meeting	TNEC	<p>Transport Project Approvals. This is a standing item, which will include the approval of any funding or contractual arrangement that may be necessary from NECA for projects to proceed. This involves projects where funding has previously been approved by the Local Transport Body and where the approval may also be necessary from TNEC, on behalf of NECA in its role as accountable body.</p> <p>Report for approval</p>	Transport	To be confirmed	Held by the Contact Officer	<p>Paul Woods Chief Finance Officer North East Combined Authority 07446936840 paul.woods@north-eastca.gov.uk</p> <p>And</p> <p>Mark Wilson Head of Transport Policy 0191 211 5679 Mark.Wilson@newcastle.gov.uk</p>

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
B 2.	28 April 2016 and all future meetings	TNEC	Transport Vision for the North East Report for approval	Transport	Wide public consultation will take place following publication of the Transport Vision	Held by the Contact Officer	Mark Wilson Head of Transport Policy 0191 211 5679 Mark.Wilson@newcastle.gov.uk
B 3.	28 April 2016 and all future meetings	TNEC	Transport for the North – an update on the programme to improve the transport network in Northern England Report for information	Transport	To be confirmed	The Northern Powerhouse: One Agenda, One Economy, One North: document published at https://www.gov.uk/government/publications/northern-transport-strategy	Mark Wilson Head of Transport Policy 0191 211 5679 Mark.Wilson@newcastle.gov.uk
B 4.	28 April 2016 and all future meetings	TNEC	Capital Programme Monitoring Report This report provides the Transport North East Committee with a progress update in relation to delivery of	Corporate issue	Consultation on the capital programme with Treasurers and Chief Executives, and capital programme	NECA Budget and Capital Programme	Eleanor Goodman Principal Accountant 0191 277 7518 eleanor.goodman@newcastle.gov.uk

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			the transport related capital programme. This is a requirement of the NECA constitution and is a function delegated to TNEC.		agreed by Leaders in April.		
B 5.	28 April 2016 and all future meetings	TNEC	Revenue Budget Monitoring Report This report provides the Transport North East Committee with a progress update in relation to how the transport related budgets for the delivery agencies are being managed. This is a requirement of the NECA constitution and is a function delegated to TNEC.	Corporate issue	Consultation on the budget with Treasurers and Chief Executives, and budget agreed by Leaders.	NECA Budget and Capital Programme	Eleanor Goodman Principal Accountant 0191 277 7518 eleanor.goodman@newcastle.gov.uk
B 6.	28 April 2016 (annually)	TNEC	Discharge of Transport Functions by Durham County Council.	Transport	The report refers to the discharge of delegated	The North East Combined Authority Constitution	Adrian J White Head of Transport and Contract Services

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
			The report provides an update on the discharge of delegated functions at Durham County Council.		functions by officers in Durham County Council in consultation with the relevant cabinet portfolio holder and its contents have already been noted by the Cabinet of Durham County Council.	The North East Combined Authority Deed of Operation dated the 29th April 2014.	Durham County Council 03000 267455 adrian.white@durham.gov.uk
B 7.	28 April 2016 (annually)	TNEC	Northumberland County Council – Public Transport Activity Report on Delegated Functions 2014 The report provides an update on the discharge of delegated functions at Northumberland County Council.	Transport	To be confirmed	Held by the Contact Officer	Stuart McNaughton Principal Transport Policy Officer Northumberland County Council 01670 624 104 stuart.mcnaughton@northumberland.gov.uk

Reference Number	Date of Decision	Decision Maker	Topic	Thematic area	Consultees /Consultation Process	Background Documents	Contact Officer
C. Transport North East (Tyne and Wear) Sub-Committee (TWSC)							
C 1.	28 April 2016 and then at every meeting	TWSC	<p>Tyne Tunnel Update (confidential report) The report will provide an update for Members on the operation and management of the Tyne Tunnel</p> <p>The report will be exempt from the publication by virtue of paragraphs 3 and 5 of Part 1 of Schedule 12A of The Local Government Act 1972</p>	Transport	To be confirmed	Held by the Contact Officer	<p>Michael Murphy Engineer to the Tyne 0191 211 5950 michael.murphy@newcastle.gov.uk</p>
C 2.	28 April 2016 and all future meetings	TWSC	<p>Monitoring Nexus' Performance and Metro Performance Update</p> <p>The purpose of these reports is to advise TWSC of Nexus corporate performance</p>	Transport	To be confirmed	Held by the Contact Officer	<p>Tobyn Hughes Managing Director (Transport Operations) 0191 203 3246 tobyn.hughes@nex.us.org.uk</p>

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			<p>in respect of service and project delivery such that the Sub-Committee exercises the monitoring and oversight functions in respect of Nexus activities delegated to it from the NECA Leadership Board.</p> <p>The report also reports on the measures in place to improve Metro performance.</p>				
C 3.	28 April 2016 and all future meetings	TWSC	<p>Nexus Strategic Risks 2015/16</p> <p>The purpose of this report is to provide an update to TWSC of the strategic risks identified by Nexus for 2015/16.</p>	Transport	The report has been prepared through Nexus internal reporting arrangements.	Held by the Contact Officer	<p>Tobyn Hughes Managing Director (Transport Operations) 0191 203 3246 tobyn.hughes@nexus.org.uk</p>

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D. Governance Committee							
D 1.	1 April 2016	Governance Committee	<p>Internal Audit Progress Report and Audit Plan 2016/17</p> <p>The report provides an update on the outcomes from internal audit activity and progress against the delivery of the internal audit plan. The report will also include the draft 2016/17 strategic audit plan for consideration.</p>	Corporate Issue	Head of Paid Service, Monitoring Officer and Chief Finance Officer	Internal Audit Plan, Final Internal Audit Plan	<p>Philip Slater Audit, Risk and Insurance Service Manager Newcastle City Council 0191 211 6511 Philip.slater@newcastle.gov.uk</p>
D 2.	1 April 2016	Governance Committee	<p>External Audit Progress Update</p> <p>This report provides an update for information on the work of Mazars, the External Auditors to the Combined Authority.</p>	Corporate issue.	Consultation with statutory officers and the Governance Committee Chair.	Held by the Contact Officer	<p>Eleanor Goodman Principal Accountant 0191 277 7518 eleanor.goodman@newcastle.gov.uk</p>

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D 3.	1 April 2016	Governance Committee	Accounting Policies Update 2015/16 The report will set out the draft accounting policies to be used in the preparation of the 2015/16 accounts, with an explanation of any changes which may have been introduced, and an update on changes to the Code of Practice on Local Authority Accounting. Governance Committee will be asked to approve the policies.	Corporate issue	To be confirmed	Code of Practice on Local Authority Accounting 2015/16	Eleanor Goodman Principal Accountant 0191 277 7518 eleanor.goodman@newcastle.gov.uk
D 4.	1 April 2016	Governance Committee	Annual Governance Statement The purpose of this report is to introduce a draft framework for the production of the 2015/16 Annual Governance Statement	The Annual Governance Statement covers all aspects of the Combined Authority's activity	Head of Paid Service, Monitoring Officer and Chief Finance Officer	Guidance on the production of an Annual Governance Statement	Philip Slater Audit, Risk and Insurance Service Manager Newcastle City Council 0191211651 philip.slater@newcastle.gov.uk

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			and consider the sources of assurance required support it The report is for members' information				
E. Governance Sub-Committee							
Currently, there are no meetings scheduled							
F. Overview and Scrutiny Committee (O&S)							
F 1.	22 March 2016	O&S	Forward Plan and Work Programme The purpose of this report is to receive the latest version of the Forward Plan and annual work programme.	Corporate issue	To be confirmed	Held by the Contact Officers	Karen Brown Scrutiny Officer 0191 561 1004 Karen.brown@sunderland.gov.uk Representations may be forwarded to the Contact Officer by 8 March 2016
F 2.	22 March 2016	O&S	North East Combined Authority – Proposed Devolution Agreement	Corporate issue	To be confirmed	Held by the Contact Officers	Karen Brown Scrutiny Officer 0191 561 1004 Karen.brown@sunderland.gov.uk

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			and Elected Regional Mayor The purpose of this report is to update the committee of the current position in relation to the devolution proposals for the region				erland.gov.uk Representations may be forwarded to the Contact Officer by 8 March 2016
F 3.	22 March 2016	O&S	Transport Thematic Lead Update To receive a progress report on activity under the Transport Theme	Corporate issue	To be confirmed	Held by the Contact Officers	Karen Brown Scrutiny Officer 0191 561 1004 Karen.brown@sunderland.gov.uk Representations may be forwarded to the Contact Officer by 8 March 2016
F 4.	22 March 2016	O&S	Update on actions to improve Metro performance An update on the improvement actions being taken by	Transport	To be confirmed	Held by the Contact Officers	Karen Brown Scrutiny Officer 0191 561 1004 Karen.brown@sunderland.gov.uk Representations may be forwarded

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			Network Rail in respect of Metro performance.				to the Contact Officer by 8 March 2016
G. Economic Development and Regeneration Advisory Board (EDRAB)							
G 1.	31 March 2016	Economic Development and Regeneration Advisory Board	Economic Development and Regeneration – Progress Update Members are requested to receive an update on, and provide views in relation to, progress within the key areas of the Economic Development and Regeneration theme. The update will include progress on the development of the regional Inward Investment function and Regional Investment Plan.	Economic Development and Regeneration	NECA Elected Members and officers; NELEP Members and officers	North East Strategic Economic Plan - More and Better Jobs	Beverley Poulter Lead Policy Officer Sunderland City Council 0191 561 1150 beverley.poulter@sunderland.gov.uk
G 2.	31 March 2016	Economic Development and	Perspectives on Inward Investment Members are	Economic Development	NECA Elected Members and officers; NELEP	North East Strategic Economic Plan	Beverley Poulter Lead Policy Officer Sunderland City

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		Regeneration Advisory Board	requested to receive presentations from representatives of UKTI and the private sector, on processes and perspectives relating to regional Inward Investment.	and Regeneration	Members and officers	- More and Better Jobs	Council 0191 561 1150 beverley.poulter@sunderland.gov.uk