

**Report from Service  
Area:**

**Chief Executive's Office**

**Responsible Officer:**

**Viv Geary; Head of Law and  
Governance**

**Tel: (0191)6435339**

**Wards affected:**

**All Wards**

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## **PART 1**

### **1.1 Purpose:**

This report relates to the exercise of the delegated authority given to the Chief Executive by Cabinet on 19 March 2018 to issue the Authority's formal consent to the making of the Order by the Secretary of State establishing the North of Tyne Combined Authority.

### **1.2 Recommendation(s):**

It is recommended that:

1. The Chief Executive in consultation with the Elected Mayor and Monitoring Officer be authorised to issue the Authority's formal consent to the making of the Order establishing the North of Tyne Combined Authority when requested to do so.

### **1.3 Council Plan and Policy Framework**

This report relates to the following themes in the Council Plan – Our North Tyneside 2014-18 - Our people, Our Places, Our Economy and Our Partners.

### **1.4 Information:**

#### **1.4.1 Background**

- 1.4.2 On 19 March 2018 Cabinet approved in principle to giving consent to the making of an Order establishing the North of Tyne Combined Authority. That approval in principle was subject to no material issue being raised by full Council in relation to the question of consent.
- 1.4.3 Also on 19 March 2018 Cabinet gave delegated authority to the Chief Executive, in consultation with the Elected Mayor and Monitoring Officer, subject to any material issues being raised by Council, to issue the Authority's formal consent to the making of the Order establishing the North of Tyne Combined Authority to the Secretary of State when requested to do so.
- 1.4.4 On 22 March 2018 full Council noted the Cabinet Report of 19 March 2018 and raised no material issue with consent being given to the making of an Order establishing the North of Tyne Combined Authority.

- 1.4.5 As part of the continued partnership working between the Constituent Authorities North of the Tyne and South of the Tyne and the North East Combined Authority (NECA), detailed discussions between the Chief Legal Officers of NECA, the Constituent Authorities and representatives from the Ministry for Housing, Communities and Local Government (MHCLG) have taken place over several months with a view to agreeing the terms of the Order agreeing the establishment of the North of Tyne Combined Authority.
- 1.4.6 The draft Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018 has been received from MHCLG. The Order in addition to establishing the North of Tyne Combined Authority also deals with its constitution, the transport and non-transport functions that the Authority will be responsible for discharging, including those functions to be discharged by the Mayor of the Combined Authority. The Order also amends the boundary of the North of Tyne Combined Authority (NECA) as a result of the North of Tyne constituent authorities leaving NECA.
- 1.4.7 The draft Order is appended to this report at Appendix 1. The Parts of the Order are summarised below:-

#### Part 1.

This Part makes it clear that the Order will come into force the day after the Order is made by the Secretary of State.

#### Part 2.

This Part deals with the establishment and the constitution (composition) of the Combined Authority including the fact that the area will have an elected Mayor who will have the power to appoint a political adviser.

#### Part 3.

This Part deals with the transfer of the Integrated Transport Authority functions and the transport functions of Northumberland County Council exercised by NECA to the North of Tyne Combined Authority. It also permits the North of Tyne constituent authorities the power to issue levies for the three North of Tyne constituent authority areas.

It also sets out that all property, rights and liabilities previously transferred to NECA will be held jointly by NECA and the North of Tyne Combined Authority.

It also contains appropriate continuation provisions so that any reference in legislation to an Integrated Transport Area, Integrated Transport Authority or a County Council acting as a Local Transport Authority will include both NECA and the North of Tyne Combined Authority.

This Part also makes it clear that NECA and the North of Tyne Combined Authority must appoint a Joint Transport Committee as set out Schedule 2 of the Order and lists the transport functions exercisable only by the Joint Committee.

It makes the Tyne and Wear Passenger Transport Executive (Nexus) the Passenger Transport Executive for the North of Tyne area and amends the Transport Acts to reflect the terms of the Order.

## Part 4

This Part deals with Housing and Regeneration and sets out the functions to be exercised concurrently by the North of Tyne Combined Authority its constituent authorities. This reflects what was included in the Scheme published at the conclusion of the Governance Review and fully consulted on (“the Scheme”).

It also deals with the Homes and Communities Agency functions that are to be exercised by the North of Tyne Combined Authority concurrently with the Agency. These are the functions included in the Scheme.

## Part 5

This Part deals with the power given to the Mayor of the Combined Authority to designate an area as a Mayoral Development area and to establish a Mayoral Development Corporation. This was included in the Scheme.

## Part 6

This Part sets out the education, skills and training functions that the Combined Authority can exercise concurrently with its constituent authorities. These functions were included in the Scheme.

There is also reference to other functions that the Combined Authority can discharge in common with local authorities under the Local Government Act 1972. These functions were also included in the Scheme.

It also deals with consequential amendments to the Local Government Pension Scheme so that both NECA and the North of Tyne Combined Authority are scheme employers. It also amends the Transport Levying Bodies Regulations and deals with transport levies and the calculation of such levies in relation to the five Tyne and Wear local authority areas and the two County Councils.

## Part 7

This Part sets out the functions that can be exercised only by the Mayor of the Combined Authority. These are the functions that were included in the Scheme. The necessary consents from the members of the Combined Authority will be required before the Mayor can exercise his/her powers of compulsory purchase in relation to those members’ areas.

This Part deals with the funding of the North of Tyne Combined Authority. The costs of the Combined Authority will be met by apportioning the costs between the three constituent authorities as agreed, or failing such agreement, in equal shares. It also provides for the issuing of three levies for each of the constituent authority areas.

There is also detailed provision in relation to continuity.

- 1.4.9 The Schedules to the Order add detail to the Articles contained in the Order and the Schedules are summarised below:-

### Schedule 1

This sets out the constitution (composition) of the Combined Authority as per the Scheme and includes membership, the appointment of an Interim Mayor, the appointment of

Chair and Vice Chair, remuneration of members, the appointment of members to the Overview and Scrutiny Committee, the retention of records and the ability of the Combined Authority to make Standing Orders.

## Schedule 2

This sets out the constitution (composition) of the Joint Transport Committee, the appointment of a Chair and Vice Chair of the Committee, the proceedings of the Committee, the establishment of an Overview and Scrutiny Committee of the Transport Committee and Audit Committee.

## Schedule 3 - 5

These Schedules deal with the modifications necessary to the various pieces of legislation required as a result of the establishment of the North of Tyne Combined Authority, including the Order establishing NECA.

### **1.5 Decision options:**

The following decision options are available for consideration:

#### Option 1

To issue the Authority's formal consent to the making of the Order establishing the North of Tyne Combined Authority when requested to do so.

#### Option 2

Not issue the Authority's formal consent to the making of the Order establishing the North of Tyne Combined Authority when requested to do so.

Option 1 is the recommended option.

### **1.4 Reasons for recommended option:**

Option 1 is recommended for the following reasons:

Cabinet agreed in principle on 19 March 2018 to giving consent to the making of an Order establishing the North of Tyne Combined Authority subject to any material issues being raised by Council. Council raised no such issues at its meeting on 22 March 2018.

Therefore issuing consent to the making of the Order after the necessary consultation with the Elected Mayor and the Monitoring Officer will be an implementation of the decision taken by Cabinet on 19 March 2018.

### **1.5 Appendices:**

Appendix 1: Draft Newcastle Upon Tyne, North Tyneside and Northumberland Combined Authority (Establishment and Functions) Order 2018

## **1.6 Contact officers:**

Viv Geary; Head of Law and Governance – Tel; 0191 6435339

## **1.7 Background information:**

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- The Local Democracy, Economic Development and Construction Act 2009
- The Mindful to Deal
- Cabinet Report (with Appendices) of 19 March 2018
- Minutes of Cabinet meeting of 19 March 2018
- Council Report of 22 March 2018
- Minutes of Council meeting of 22 March 2018

# **PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING**

## **2.1 Finance and other resources**

Detailed discussions are taking place with NECA and the other constituent authorities regarding the financial arrangements associated with the transition. The general approach being taken to deal with the financial impact of the North of Tyne Authorities leaving the NECA is to find the most appropriate solution while also seeking to avoid detriment and unnecessary additional costs. In terms of the creation of the new arrangements for the North of Tyne Combined authority, the relevant authorities are working with Central Government to secure additional resources to fund such set up costs. Additional resources have previously been provided to those “devolution deals” already agreed. Current preparatory work that each of the North of Tyne Authorities is contributing to is being met from within each Authority’s existing budgets, and going forward we would expect that the Authority’s existing contribution to the NECA budget would be redirected to the North of Tyne Combined Authority.

## **2.2 Legal**

The Order, because it introduces changes to the transport arrangements across the NECA and North of Tyne Combined Authority areas requires the consent of the seven constituent authorities that currently make up NECA. The consent of NECA is also required because of the changes to the transport arrangements and the proposed changes to NECA’s boundary.

## **2.3 Consultation/community engagement**

### **2.3.1 Internal Consultation**

The Elected Mayor, Cabinet Members and other Members have been given briefings in relation to devolution for North of Tyne. Full Council has also been consulted in relation to the proposal to establish the North of Tyne Combined Authority.

### **2.3.2 External Consultation/Engagement**

The North of Tyne Devolution Deal has been widely reported and the Governance Review and Scheme was subject to an 8 week public consultation process.

#### **2.4 Human rights**

There are no material human rights issues.

#### **2.5 Equalities and diversity**

There are no material equality or diversity issues. An Equality Impact Assessment was undertaken as part of the consultation process on establishing the North of Tyne Combined Authority.

#### **2.6 Risk management**

There are no risks associated with this report.

#### **2.7 Crime and disorder**

There are no crime and disorder issues.

#### **2.8 Environment and sustainability**

There are no material environmental and sustainability issues.