

Cabinet

Wednesday, 24 April 2019 at 2.00 pm

Meeting to be held at the Mansion House, Fernwood Road, Jesmond, Newcastle upon Tyne, NE2 1TJ

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AGENDA

Page No

1. **Apologies for Absence**
2. **Declarations of Interest**

Please remember to declare any personal interest where appropriate both verbally and by recording it on the relevant form (to be handed to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.
3. **Minutes of the Previous Meeting** **1 - 4**
4. **School Improvement Strategy and Education Challenge** **5 - 10**
5. **Adult Education Budget (AEB) Devolution** **11 - 16**
6. **Investment Fund Update and Funding Approvals** **17 - 30**
7. **Operational Update** **31 - 38**
8. **Date and Time of the Next Meeting**

Tuesday, 4 June 2019 at 2pm (Annual Meeting).

Contact Officer: Victoria Miller Tel: 0191 211 5118 Email: victoria.miller@newcastle.gov.uk

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North of Tyne Combined Authority, Cabinet

12 March 2019

Meeting held: Committee Room, North Tyneside Council, Quadrant, The Silverlink North, Cobalt Business Park, North Tyneside, NE27 0BY

Draft Minutes

Present:

Mayor N Redfearn (Chair)

Councillors N Forbes, J McCarty, W Daley, P Earley, P Jackson and B Pickard

30 APOLOGIES FOR ABSENCE

An apology for absence was received from Mr A Hodgson.

31 DECLARATIONS OF INTEREST

There were no declarations of interest.

J Softly, the Interim Monitoring Officer, confirmed that all Members had been issued with dispensations so that they could take part in decisions on funding awards (agenda item 4 - Investment Fund Update), involving the constituent authorities which had appointed them.

32 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 5 February 2019 were approved as a correct record and signed by the Chair.

33 ANNOUNCEMENT FROM THE CHAIR

The Chair gave feedback on the success of The Business Summit, a recent engagement event for the Business Sector and the Combined Authority on the North of Tyne Devolution Deal, including key messages arising.

A Member also gave feedback on the Closer Working event, one of several recent and forthcoming engagement events for the Voluntary and Community Sector and the Combined Authority.

34 INVESTMENT FUND UPDATE AND FUNDING APPROVALS

Submitted: A report of the Interim Director of Inclusive Growth (previously circulated and copy attached to Official Minutes)

The Cabinet considered the report which sought approvals for applications for funding on current projects.

The report also:

- provided an outline of the proposed call for bids for a programme of interventions designed to inspire more children and young people to pursue STEM subjects and develop digital skills;
- outlined the next stage of the work programme around the investment fund; and
- sought delegated authority for chief officers for approvals relating to a potential allocation of funding to support the hosting of a stage of the Tour of Britain 2019 cycling event.

A proposal was put forward and seconded for a minor amendment to the recommendation 5 to give the Interim Head of Paid Service delegated authority, in consultation with the Interim Mayor and relevant portfolio holders, “*to agree*” an allocation of funding to support a North of Tyne stage of the 2019 Tour of Britain Cycling event subject to the normal appraisal processes. The Cabinet agreed this amendment.

In discussion, Members welcomed the progress achieved on these early stages of projects and interventions. They spoke about the benefits of the projects which were aimed to deliver real improvements for the North of Tyne area.

The Chair spoke about the beauty and the rich offer of the region and the long and hard journey it had taken to achieve the Devolution Deal. She thanked everyone involved in the work to achieve progress.

RESOLVED – That:

- 1) The following funding awards be approved:
 - i. £1,265,307 (over 4 years) to Northumberland County Council for the North of Tyne Rural Business Growth Investment Fund;
 - ii. £175,000 to Northumberland County Council for the Northumberland to Newcastle Line – Economic Transformation Masterplan;
 - iii. £75,000 to Northumberland County Council for the Local Full Fibre Network;
 - iv. £200,000 to North Tyneside Council for the North Shields masterplan and Business Case Development Study.
 - v. £48,965 to Northern Stage for the Raby Street Creative Hub Feasibility and Business Plan;
- 2) The Interim Head of Paid Service be authorised to finalise the conditions to be attached to the above funding awards, and the Interim Monitoring Officer be authorised to complete the necessary documentation;

- 3) A budget of up to £1,250,000 over 3 years for the STEM and Digital Skills Programme as set out in section 1.4 of the report be approved, and the Interim Head of Paid Service be authorised, in consultation with the Interim Mayor and portfolio holder for Education Improvement, to finalise and publish the call documentation;
- 4) The Interim Head of Paid Service be authorised, in consultation with the Interim Mayor and relevant Portfolio Holders, to commission the Investment Fund development work and any other steps as set out in section 1.5 of the report;
- 5) The Interim Head of Paid service be authorised, in consultation with the Interim Mayor and relevant portfolio holders, to agree an allocation of funding to support a North of Tyne stage of the 2019 Tour of Britain Cycling event as set out in section 1.6 of the report, subject to the normal appraisal processes.

35 **2019-2022 FINANCIAL PLAN AND BUDGET (INCLUDING APPOINTMENT OF EXTERNAL AUDITOR)**

Submitted: A report of the Interim Chief Finance Officer (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which set out the budget for the North of Tyne Combined Authority (NTCA) for 2019/20 and the medium-term financial plan for that period, for approval. The report also invited the Cabinet to agree the appointment of the External Auditor for the financial years 2018/19 and 2019/20.

RESOLVED – That the Cabinet:

- i. Agreed the Corporate Budget for 2019/20 as set out in Paragraph 1.1;
- ii. Agreed the Investment Fund Budget as set out in paragraph 1.4;
- iii. Agreed the Treasury Management Strategy 2019/20 as described in paragraph 1.6 and attached at Appendix A;
- iv. Noted that the Transport Levies were issued on the 15 February as required;
- v. Agreed to hold the level of reserves set out in paragraph 1.9 and noted that the Chief Finance Officer would continue to keep the level of reserves under review as the Authority developed and new information became available about the financial risks facing the authority's arrangements for managing those risks; and
- vi. Agreed the appointment of Ernst Young as the External Auditor for the financial years 2018/19 and 2019/20 (Paragraph 1.13).

36 **UPDATE ON NORTH OF TYNE COMBINED AUTHORITY MAYORAL ELECTION**

Submitted: A report of the Interim Monitoring Officer (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which gave information on the preparations for the forthcoming North of Tyne Combined Authority Mayoral Election and sought

confirmation that the Interim Head of Paid Service should be appointed as the Combined Authority's Returning Officer.

As an update, it was noted that the public awareness campaign had now been launched.

Regarding the voting process, a Member asked that information for voters should be clear that they had "*up to two votes*".

RESOLVED – That:

- i. the progress made in preparing for the Mayoral Election be noted; and
- ii. the appointment of Pat Ritchie, the Interim Head of Paid Service, as the Combined Authority's Returning Officer (CARO) be confirmed.

37 **DATE AND TIME OF THE NEXT MEETING**

Wednesday, 24 April 2019 at 2pm.

Subject: School Improvement Strategy and Education Challenge

Report of: Head of Paid Service

Portfolio: Education Improvement

Report Summary

The North of Tyne Combined Authority has two jobs to do on improving education:

1. Develop a North of Tyne Joint School Improvement Strategy and associated implementation plan; and
2. Drive forward the opportunity to seek an Education Challenge.

This report explains the work done so far, the proposed approach and seeks support for the next steps.

Recommendations

The Cabinet is recommended to approve:

1. The priorities for the Joint School Improvement Strategy and focus for the Education Challenge
2. The approach to developing both of the above, including the proposed governance; and
3. The investment in further resource to develop both, subject to a more detailed application to the Business Case Development Fund, with the final approval of this delegated to the Head of Paid Service, in consultation with the Portfolio Holder

1. Background Information, Proposals and Timetable for Implementation

1.1 Background

The text of the North of Tyne Combined Authority's devolution agreement with government stated:

"The NTCA will introduce a North of Tyne Education Improvement Challenge focused on:

- *improving the marked disparities in educational attainment that exist within the area;*
- *increasing attainment in STEM subjects;*
- *deepening the approach to careers, information, advice and guidance through the adoption of the Good Career Guidance benchmarks; and*
- *achieving excellence in teaching, leadership and school governance.*

The constituent local authorities of the NTCA will work together to explore the scope for developing a unified approach to school improvement for the schools they maintain, initially through the preparation of a Joint School Improvement Strategy that would significantly assist in identifying constituent strengths and weaknesses, and support efforts to work together to learn from and replicate good practice as appropriate.

The Department for Education, including the Regional Schools Commissioner for the North of England, will work with the Combined Authority. The Education Improvement Challenge and Joint School Improvement Strategy will need to align with work led by DfE on raising educational standards in the North, in particular through the work of the Sub-Regional Improvement Board."

This report explains the work done so far by officers, with stakeholders, to start to develop a Joint School Improvement Strategy and Education Challenge, and seeks support from Cabinet for the next steps for both.

1.2 Priorities for the School Improvement Strategy

Engagement with a range of stakeholders and learning from what has worked elsewhere (outlined in section 6) has led to the identification of five priorities:

1. Ready for School
2. Educational Achievement for All
3. Closing the Gap
4. Career Pathways; and
5. Leadership, Recruitment and Retention

Subject to endorsement from Cabinet, the intention is to bring together the officers working on school improvement across North of Tyne to analyse each priority and identify gaps and the potential to add value. In the first instance the team will look at what each local authority is doing against each priority to understand and share best practice.

The plan will then be based on a small number of targeted actions with related outcomes in areas where action by the Combined Authority can add value. For example, supporting schools who may be struggling to deliver the new National Careers' Strategy. The intention is to develop a plan and agree it with education leaders across North of Tyne.

1.3 **Developing the Education Challenge**

Following discussions and testing with local and national stakeholders and experts, the suggested focus of the Education Challenge would be:

- Ready for School
- Achievement for All; and
- Leadership, Recruitment and Retention.

The proposal is that the Combined Authority first uses the data we have on each area of focus to identify the most significant challenges and ambitions; and then takes an asset-based approach making the most of the area's resources - places, partners and people - to tackle those challenges and achieve those ambitions.

The proposition is to take each of the priorities and identify an evidence-based challenge then use our places, partners and people to create a team and a package around each challenge. For example this might include, working with organisations like Newcastle Eagles, Kielder Observatory, the team at Segedunum, the Newcastle United Foundation and our armed forces to boost achievement and reach those who might miss out from education, employment or training. Or, working with the Leadership Programme at Newcastle University to grow education leaders of tomorrow.

Based on this approach, Cabinet Members are recommended to set a high level of ambition for the North of Tyne Education Challenge. Specifically, are Cabinet Members recommended to support ambitions to:

- Make sure every young person is ready for school
- Making sure all schools North of Tyne are Good or Outstanding
- Aiming to make sure no one is left behind
- Developing and delivering a universal mental health offer to all schools
- Creating a North of Tyne Teacher Deal
- Creating a North of Tyne Leadership Deal

1.4 **Resources to Deliver**

The development of the work outlined in this report has so far been delivered through existing capacity

To lead the development of the work outlined in Sections 1.2 and 1.3, investment from the Combined Authority in capacity to do this is required. This will be time-limited work that will lead to the production of an ambitious Education Challenge

proposal to government, with the potential to lead to additional investment in the North of Tyne area.

It is recommended that an application be made to the Combined Authority's Business Case Development Fund for this resource, with the approval of the application delegated to the Head of Paid Service for the Authority.

1.5 Governance

From the London Leadership Challenge and feedback from Sir David Carter, as well as looking at the Department for Education's Opportunity Area work, it is clear that leadership and strong governance will be important.

The North of Tyne Combined Authority already has well developed work through the Housing and Land Board and the Inclusive Growth Board. Cabinet may wish to consider a similar arrangement for the education improvement work.

The application to the Business Case Development Fund for additional resource to develop the Joint School Improvement Strategy and Education Challenge will include a description of the proposed governance to oversee this important work.

2. Potential Impact on Objectives

2.1 The North of Tyne Combined Authority's Vision describes how the Authority aims to support:

"A high quality, inclusive education system, which ensures our young people have the skills and qualifications to take up good quality training, apprenticeships and jobs."

The Joint School Improvement Strategy and Education Challenge is one of the main ways in which the Combined Authority will deliver its priority of *Leaders of Tomorrow*. The Vision describes a "unique opportunity to develop an Education Challenge proposal focusing on ambitious improvements in learning and teaching from birth to work".

The Vision also identifies key outcomes that the Authority wishes to achieve, linked to the *Leaders of Tomorrow* priority:

- Through good schools and colleges, make sure our young people have the skills and qualifications to take up good quality training and jobs
- Improve opportunities for local people to take up employment and progress
- Stronger partnership with employers to improve training and skills, meeting the changing needs of businesses while helping improve pay and future prospects.

The development of an ambitious and effective Joint School Improvement Strategy and Education Challenge, linked to other initiatives within the Inclusive Growth portfolio and across other portfolios, will play a critical role in delivering the Authority's vision and key outcomes.

3. Key Risks

- 3.1 The main risks attached to this work are insufficient resource or ineffective governance to drive forward and oversee the development of a School Improvement Strategy or Education Challenge that match the ambition of the Combined Authority.

However, through the effective management of these risks, including the approaches outlined in sections 1.4 and 1.5, there is a significant opportunity to develop proposals that have the potential to attract significant investment and deliver substantially improved outcomes for children and young people in the North of Tyne area.

4. Financial and Other Resources Implications

- 4.1 This report seeks approval, in principle, from Cabinet to invest in required resources to fully develop the School Improvement Strategy and Education Challenge proposal to government, subject to an application to the Business Case Development Fund.

This will ensure there is sufficient but time limited resource and capacity to produce the strategy and proposal, with overall outcome being the potential to attract significant additional funding to the area.

5. Legal Implications

- 5.1 Each constituent authority retains its own statutory duties in these areas. The proposals in this report are focused on adding value at a North of Tyne level to the work carried out by the individual constituent authorities and their partners.

6. Consultation/Engagement

- 6.1 The vision, scale of ambition and priority areas have been tested with a wide range of stakeholders. A series of engagement events have been held through April – July 2018, where more than 100 views have been gathered from head teachers, health and social care leaders, businesses, government representatives, and sector experts. Additionally, ongoing discussions are taking place within each local authority area regarding the developments.

In addition to engaging with professionals across North of Tyne, we have also spoken to a number of other organisations, including:

- Early Intervention Foundation

- North East Local Enterprise Partnership
- Schools North East
- Education Endowment Foundation
- National Literacy Trust
- Newcastle University
- Manchester Challenge

Councillor Daley, as Portfolio Holder for Education Improvement, has also engaged with Stephen Twigg, MP about his views on the London Leadership Challenge and Former National Schools Commissioner Sir David Carter about implementation, governance and leadership.

Subject to Cabinet's approval of the recommendations in this report, further, wider, and deeper engagement will be required with the range of stakeholders to fully develop the strategy and proposal and implement key initiatives.

7. Appendices

7.1 None

8. Background Papers

8.1 None

9. Contact Officers

9.1 Paul Hanson, North Tyneside Council Chief Executive,
paul.hanson@northtyneside.gov.uk, 0191 643 7000

10. Glossary

10.1 None

Subject: Adult Education Budget (AEB) Devolution

Report of: Head of Inclusive Growth

Portfolio: Employability and Inclusion

Report Summary

The purpose of this report is to provide the Cabinet with an update on the approach being adopted in preparing for Adult Education (AEB) Devolution and to provide a summary of the progress to date, timelines and next steps.

Recommendations

The Cabinet is recommended to:

- i. approve the approach being adopted to demonstrate to Government the Combined Authority's readiness for AEB devolution;
- ii. authorise the Interim Head of Paid Service, in consultation with the portfolio holder, to finalise and provide to the Department for Education (DfE) the Authority's submission to demonstrate its readiness for AEB devolution.

1.0 Background Information and Timetable for Implementation

A key element of the North of Tyne Combined Authorities Vision and its devolution deal with Central Government was the devolution of the Adult Education Budget (AEB) for the area – this is likely to be in the region of £22m per annum.

- 1.1 The devolution of this important budget will allow us, over time, to ensure training and skills provision responds to local needs to a much greater extent than is currently the case.

In July 2018, the Government, via the Minister for Skills and Apprenticeships, agreed to the devolution of the AEB in 2020/21. This will involve the Government making a legal order to transfer the relevant statutory functions to the North of Tyne Combined Authority (NTCA). To hit this timetable, NTCA is required to demonstrate assurance to Government that we will be “ready” to take on this responsibility.

- 1.2 The following timeline has been agreed with DfE

AEB devolution timeline	
April 2019	NTCA submits AEB Strategic Skills Plan and ‘Readiness’ self-assessment to demonstrate its readiness for AEB devolution
May 2019	DfE review submission and present to SoS for approval, if satisfied.
June 2019	NTCA and each constituent authority consent to the making of the order.
Autumn 2019	Parliament debates NTCA AEB Devolution Order. If approved, Order is made and comes into effect.
December 2019	Final deadline for full-devo MoU sign-off which will commence 1 January 2020
January 2020	DfE notifies NTCA of AEB budget amount for 20/21
April 2020	DfE makes AEB budget payment to NTCA
August 2020	Go-live. NTCA makes AEB payments to Providers

This means that NTCA responsibility for the AEB will become operational on 1st August 2020.

- 1.3 The critical date within the timeline above is the laying of the draft Order in Parliament before the summer recess. The Minister requires assurance on the NTCA’s readiness to allow devolution of the funds.
- 1.4 As set out above, the first step in the timetable is for NTCA to submit to DfE an AEB devolution readiness self-assessment. The purpose of this self-assessment is to provide assurance to DfE officials that:
- i. the statutory test for the making of the order will be met (i.e. the making of the order is likely to improve the exercise of statutory functions in the area); and

- ii. NTCA will be operationally ready to take on the devolved AEB functions.
- 1.5 For the purposes of this assessment, NTCA is not expected to have all processes and/or systems fully functional at this point. Where plans/systems are not in place the evidence provided will need to clearly demonstrate and provide assurance of how we plan to be ready to administer the AEB in our area from commencement of the Order.
- 1.6 The readiness self-assessment is a two-part process to reflect the two requirements mentioned above:
- i. The first part is a Strategic Skills Plan for AEB demonstrating how the AEB will be used in alignment with NTCA and national objectives, whilst also considering the impact of decision-making on learners, employers and learning providers.
 - ii. The second part of the review will look at operational readiness to cover the extent to which NTCA has in place or will have in place (demonstrated by credible plans and milestones) operational plans to administer the devolved AEB.
- 1.7 As DfE have requested that the readiness self-assessment is submitted by 26 April, it is proposed that the Interim Head of Paid Service, in consultation with the Portfolio Holder, is authorised to finalise and submit it to DfE.

2.0 Progress update

- 2.1 The Head of Inclusive Growth commenced employment 1 March 2019. The recruitment process for the previously agreed posts of an AEB Policy Officer and an AEB Data Analyst have now commenced. Applications closed on 28 March 2019 and interviews are scheduled mid/late April 2019.
- 2.2 An Implementation Funding bid has now been approved by DfE to partially cover the costs associated with putting in place the necessary processes over the next 18 months. This will help resource further staff posts during this period. Once the AEB funding is devolved, the NTCA will be expected to meet future staffing and associated costs from that devolved budget.
- 2.3 Based on 2017/2018 data, the indicative amount that NTCA will receive in devolved AEB is circa £22 million. This does not include funding for Continuing Learners or 19-24 Traineeships, which will continue to be funded centrally by Government. Ministers agreed that the methodology for calculating Education Skills Funding Agency (ESFA) and Mayoral Combined Authorities (MCAs) and the Mayor of London budgets should be based on historic provider delivery and learner residence in the previous academic year. ESFA will continue to be responsible for funding learners that are resident outside devolved areas.
- 2.4 To inform the NTCA Readiness self-evaluation, the Head of Inclusive Growth is working with relevant colleagues across finance, procurement, legal, risk, data analysis and policy to ensure a robust submission and action plan for implementation is created. Progress is going well and on target for the submission deadline.

- 2.5 Engagement with AEB Providers in North of Tyne has begun and a plan for ongoing provider engagement is in development to ensure a collaborative approach to aligning Adult Skills to the needs of our area and the North of Tyne vision.
- 2.6 The Head of Inclusive Growth has also established a network of Combined Authority contacts with which to share best practices and lessons learned throughout the process of AEB Devolution.

Following submission of the Readiness self-evaluation to the DfE, implementation plans will commence on the expectation of approval from the SoS. This will be required due to the tight timelines for implementation. The Implementation plan will be aligned to the actions set out in the Readiness self-evaluation to ensure NTCA have all systems and processes in place in line with the necessary procurement and commissioning activities which need to be completed ahead of payments being made to providers from 1 August 2020.

3.0 Potential Impact on Objectives

- 3.1 The progress of AEB Devolution is in line with NCTAs vision and priorities.

4.0 Key Risks

- 4.1 The key risk at present is that the SoS does not approve the NTCA Readiness submission. This would mean that AEB Devolution is delayed a further year. The impact of this would be reputational damage with Government and the public. To mitigate this risk the Head of Inclusive Growth is working with internal and external stakeholders to develop a robust submission, with ongoing dialogue with DfE to ensure the evidence and project plans meet their satisfaction, ahead of submission.
- 4.2 AEB Devolution features as a strategic risk on the NTCA Strategic Risk Register.
- 4.3 Appropriate risk management processes are in place to identify and mitigate risks as they arise at the project level, with escalation requirements embedded.

5.0 Financial and Other Resources Implications

As stated previously an implementation funding bid has been approved by the DfE, this provides the NTCA with additional financial resources to ensure appropriate capacity and resources are able to be put in place to prepare for the devolution of the AEB. The additional capacity will include finance, procurement and legal support as well as technical advice with regard to the readiness self-assessment and the production of a skills plan. We are advised that the actual Adult Education budget is circa £22 million per annum. The Adult Education Budget is not currently reflected in the authority's financial plan, but it is anticipated that over the course of the next few months as the 2020/21 budget and financial plan is developed sufficient information will be available to update and reflect the AEB in budget proposals for future years.

6.0 Legal Implications

6.1 The comments of the Interim Monitoring Officer have been incorporated in this report.

7.0 Consultation/Engagement

7.1 All relevant internal and external stakeholders are involved in the compilation of the Readiness submission.

8.0 Contact Officers

Leigh Mills, Head of Inclusive Growth
Leigh.mills@newcastle.gov.uk
07855 100179

9.0 Glossary

NTCA	North of Tyne Combined Authority
DfE	Department for Education
AEB	Adult Education Budget
MCA	Mayoral Combined Authority
ESFA	Education and Skills Funding Agency
SoS	Secretary of State
DSA	Data Sharing Agreement

10.0 Background papers

None

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Subject: Investment Fund Update and Funding Approvals

Report of: Interim Director of Inclusive Growth, North of Tyne Combined Authority

Subject: Investment Fund Update and Funding Approvals

Report Summary

The purpose of the report is to update Cabinet Members on investment decisions and make further decisions on the allocation of the funding. The report also provides an outline of a proposed Investment Plan for the allocation of Investment Fund resources over the next 5 years.

Recommendations

Cabinet is recommended to:

1. Note the award of £400,000 to Northumberland County Council to the costs of organising a stage of the Tour of Britain Cycle Race in September 2019;
2. Note the progress that has been made with the development of the STEM and Digital Skills call for applications;
3. Approve Business Case Development funding of £200,000 to Newcastle University for the North of Tyne: A Campus for Ageing & Vitality;
4. Authorise the Interim Head of Paid Service to finalise the conditions to be attached to the above funding awards and authorise the Interim Monitoring Officer to complete the necessary documentation.
5. Approve the Investment Plan, including the allocation of funding to different themes.

1. Background Information, Proposals and Timetable for Implementation

1.1 Background

1.1 At the February and March NTCA Cabinet meetings, Members agreed that the Head of Paid Services, in consultation with the Interim Mayor and relevant portfolio holders should be authorised to progress funding applications for several projects and initiatives, including the Tour of Britain North of Tyne Stage, STEM and Digital Skills Programme and the creation of a NTCA Inward Investment Fund. This report provides an update on progress.

This report also provides a summary of an application for Business Case Development Funding and the outcome of an appraisal for a North of Tyne Campus for Ageing and Vitality project application.

Finally, the report sets out proposals for the development of an Investment Plan that will provide the basis for informing decisions on future NTCA investments.

1.2 Applications for Investment Fund Project Funding

Tour of Britain Cycle Race 2019 – North of Tyne Stage.

This project has been approved by the Interim Head of Paid Service, in consultation with the Interim Mayor and relevant portfolio holder. Although Cabinet are not being asked to make a funding decision, the details below summarise the results of the appraisal process.

The application related to a request for £400,000 to cover the full estimated cost of the North of Tyne hosting a stage of the Tour of Britain Cycle Race in September 2019.

Using the experience of having hosted a stage of the Tour of Britain in 2017 the applicant, Northumberland County Council was able to show how hosting a stage of the Race can deliver a significant boost to the regional visitor economy, as measured by increased visitor numbers and the associated spend. The application also evidenced the potential for the race to generate significant positive media coverage and promote the area nationally and internationally as a place to visit, live work and invest. The engagement of schools and residents to encourage healthy lifestyles will also be a priority.

Outcome of the External Independent Appraisal

Overall the outcome of the independent appraisal was positive:

- The project has a strong fit with the NTCA's strategic priorities;
- The project is projected to make a good contribution to several key success measures:

Measure	Estimated outputs / outcomes
Additional overnight stays	37,200
Net expenditure in the local economy	£4.53m
Net additional jobs supported	63
Additional GVA	£2.46m

- The event is expected to generate significant positive media coverage;
- A Benefit Cost Ratio (BCR) of 6:2 represents a strong positive value and good value for money;
- Northumberland County Council have a track record of delivering stages of the Tour of Britain successfully in the recent past.

Funding Conditions

Having considered the external appraisal, the Interim Head of Paid Service, in consultation with the Interim Mayor and relevant portfolio holders approved the funding request subject to the following conditions to be included in the funding agreement:

1. Applicant to use best endeavours to maximise sponsorship income from the event, and to offset any income generated against the final amount of grant funding claimed from the NTCA Investment Fund.
2. Applicant to provide a detailed project delivery plan, including a timeline / critical path, key activities towards the successful planning and delivery of the event, and a risk register. To be provided by June 2019.
3. Applicant to bear any additional costs incurred over and above the funding envelope agreed.
4. Applicant to provide further assurance on the proposed procurement route. Any risks that may arise from the proposed approach to procurement will rest with Northumberland County Council.
5. Applicant to ensure that the economic impact report of the event meets the requirement of the NTCA and consider how evaluation of the impact on raising the profile of the North of Tyne area can be undertaken and resourced within the funding envelope requested.

Inward Investment Fund.

At the Cabinet meeting on the 5th February 2019, members agreed a proposal to create an Inward Investment Grant Fund with an initial budget of £1m per annum. Cabinet also agreed that approval of the full business case required for the consideration of the Inward Investment Grant Fund be delegated to the Interim Head of Paid Service in consultation with the Interim Mayor and the Chief Finance Officer.

A Business Case is currently being developed for appraisal. The Investment Panel discussed progress on the project and noted the emerging conclusions from the external appraiser that the project has a strong strategic case and would deliver good value for money – but that a robust operational plan needed to be developed before the project could be approved.

STEM and Digital Skills Programme – Call for Projects

On the 12th March 2019, the NTCA Cabinet approved a budget of up to £1,250,000 over 3 years for the STEM and Digital Skills Programme and authorised the Interim Head of Paid Service, in consultation with the Interim Mayor and portfolio holder for Education Improvement, to finalise and publish the call documentation.

Following consideration of the call documentation, the Interim Head of Paid Service used the delegated authority agreed by Cabinet to approve the call documentation and this was published on the 22nd March and will close on the 17th April.

A number of organisations have expressed an interest in the call. Eligible applications which meet the assessment requirements will be appraised and the outcome reported to NTCA Cabinet in June. A second call will be issued in June 2019.

1.3 Applications for Business Case Development Fund

North of Tyne: A Campus for Ageing & Vitality

Programme:	Business Case Development Fund
Project	North of Tyne: A Campus for Ageing & Vitality
Applicant Organisation	Newcastle University
Legal Status of the Applicant	University
Location:	Newcastle City Centre

The application relates to a master planning exercise for the development of the Campus for Ageing and Vitality (CAV), on the former General Hospital Site. The ambition for CAV is to construct an internationally renowned test bed for innovation across a wide range of sectors and the whole region (city and rural): councils and combined authority; universities, businesses; health and care providers; third sector and public authority academia that will tackle head-on the challenge of living better for longer. Through innovation-led economic growth the aim is to deliver economic and social benefits in health, wealth and wellbeing.

The vision is for the development of three zones on land stretching from Nuns Moor Road to Westgate Road to significantly develop the site in an innovative, outward-facing, and multifaceted way. This will involve a “quadruple helix” approach, working between academia, the city, industry and the public.

Delivery of the CAV site which will be enabled through the master-planning phase proposed, will support the NTCA’s ambitions around ageing and life sciences and aligns strongly with the North East Local Enterprise Partnership’s focus in the Strategic Economic Plan on Health and Life Sciences as one of four areas of strategic importance. The project will aim to deliver significant leverage from public and private sources.

In a National strategic context, there are strong linkages with the Industrial Strategy priorities and Grand Challenges. In addition, the partnership bid, NE-CHAIN, led by Newcastle University to the Strength in Places Fund was one of 24 bids that were successful in the Expression of Interest stage, awarded up to £50k to proceed to full business case for submission in September.

BCDF is requested to produce a masterplan for the CAV site. The masterplan will comprise a spatial and massing study to maximise the efficiency and effectiveness of the site and will also include detailed infrastructure studies including flood management, drainage, and transport to enable the planning department to approve the masterplan. Geotechnical, archaeological, and ecological studies will determine any restrictions on the site or issues that will need to be resolved during the development of the site.

Estimated Total Cost -	£290,000
NTCA Funding Requested -	£200,000 (69% intervention rate)

Outcome of the Appraisal

The project that has a strong fit with the NTCA's Vision and relates to a key strategic priority in the Devolution Deal and local Strategic Economic Plan. Once complete, the project for which development funding is requested has the potential to make a significant contribution to the NTCA's success measures. The supporting rationale demonstrates a clear case for the proposed project. Overall the application achieved a high score.

Recommendation and Proposed Funding Conditions

It is recommended that this application for Business Case Development funding is approved subject to funding conditions outlined below:

1. NTCA funding conditional on the formal confirmation of match funding
2. NTCA funding to be made conditional on the completion of a full procurement exercise.
3. NTCA funding is awarded based on the scope and timescales outlined in the application, if the applicant considers a change in scope or timescale is necessary, Cabinet will need to be consulted.
4. NTCA to be represented on the Steering Group for the master planning exercise and to be involved in subsequent phases of the CAV project such as the economic appraisal.

1.4 Proposed Investment Plan for NTCA

An Investment Plan has been developed for approval by the cabinet, which sets out how the NTCA will use the first £100m from its investment fund to help meet its objectives (Appendix 1). The Plan has been developed to support the NTCA's vision for a dynamic and more inclusive economy, which brings together people and opportunities to create vibrant communities and a high quality of life, narrowing inequalities and ensuring all residents have a stake in our region's future.

The Plan is at a thematic, or programme, level and will be used by the Combined Authority to commission activity. It has been developed using input from stakeholders at recent events with the business and voluntary & community sector. Further work is being undertaken to identify priority projects. The NTCA's priorities will evolve over time and the NTCA Cabinet will periodically refresh this Investment Plan.

In developing the Investment Plan, the NTCA has focussed on priorities which will make a strong contribution towards the Combined Authority's focus on inclusive growth and its devolution deal targets over 30 years of 10,000 new jobs, £1.1bn additional GVA and £2.1bn of private sector leverage.

The Investment Plan sets out that projects must be strongly aligned to the NTCA's Economic Vision, with the Assurance Framework being used to ensure a robust process of project evaluation and ambition.

The Investment Plan identifies investment priorities and funding levels, within the overall themes of:

- i. Business: Champion of Enterprise / Spark of Innovation
- ii. People: Hotbed of talent / Leaders of tomorrow
- iii. Place: Pride of place / Network of connections
- iv. Project development and NTCA capacity funding
- v. Major new strategic economic opportunities

2. Potential Impact on Objectives

- 2.1 The projects identified in the report are consistent with the priorities set out in the NTCA Vision.

3. Key Risks

- 3.1 Risks associated with each funding application have been considered as part of the application and appraisal process. The conditions associated with funding approvals relate to the mitigation of risks.
- 3.2 Risks associated with the other proposed activities set out in the report are being considered as an essential element of the project development process

4. Financial and Other Resources Implications

- 4.1 The financial implications of the funding approvals recommended in this report are as outlined below:

Financial Implications Associated with the funding approvals proposed in this Report

	2019/20	2020/21	2021/22	2022/23	Total
Tour of Britain	£400,000				£400,000
Inward Investment Fund	£1,000,000	£1,000,000	£1,000,000		£3,000,000
STEM and Digital Skills	£450,000	£400,000	£400,000		£1,250,000
Campus for Ageing	£200,000				£200,000
Total	£2,050,000	£1,400,000	£1,400,000		£4,850,000

Resources are available in the NTCA budget to cover the proposed expenditure.

- 4.2 Resources are also available to cover the estimated costs of the projects set out in 1.4 and the £1,250,000 budget proposed for the STEM and Digital Skills Programme call.

5. Legal Implications

- 5.1 The Interim Monitoring Officer's comments have been included in this report.

6. Consultation/Engagement

- 6.1 Applicants and stakeholders have been fully engaged in the development of funding applications and project proposals.

7. Appendices

- 7.1 Appendix A Investment Plan Update

8. Background Papers

- 8.1 The background papers to this report are confidential because they contain business/financial information.

9. Contact Officers

- 9.1 **Tom Warburton**, Interim Director of Inclusive Growth,
tom.warburton@newcastle.gov.uk

10. Glossary

- 10.1 None

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INVESTMENT PLAN

Introduction

This Investment Plan sets out how the NTCA will use the first £100m from its investment fund to help meet its objectives. The Plan has been developed to support the NTCA's vision for a dynamic and more inclusive economy, which brings together people and opportunities to create vibrant communities and a high quality of life, narrowing inequalities and ensuring all residents have a stake in our region's future.

The Investment Plan covers the period up until March 2023. This is the point of the first Gateway review by Government, when a subsequent £100m of funding will be confirmed.

The Plan is at a thematic, or programme, level and will be used by the Combined Authority to commission activity. It has been developed using input from stakeholders at recent events with the business and voluntary & community sector. Further work is being undertaken to identify priority projects.

The NTCA's priorities will evolve over time and the NTCA Cabinet will periodically refresh this Investment Plan. At the time of writing, there is considerable uncertainty over the direction of key national policies, including BREXIT, and future funding of economic development. The NTCA will respond to new opportunities and priorities which emerge.

In developing the Investment Plan, the NTCA has focussed on priorities which will make a strong contribution towards the Combined Authority's focus on inclusive growth and its devolution deal targets over 30 years of 10,000 new jobs, £1.1bn additional GVA and £2.1bn of private sector leverage.

The intention is that the NTCA's priorities around education, housing development and transport will be largely met through other funding sources. However, the investment fund will be used to provide development funding to generate a pipeline of good quality investable propositions around these priorities – helping secure the necessary additional funding from Government.

Alignment to the Economic Vision and securing Value for Money

The long-term nature of the investment fund – with an agreement with Government for 30 years of funding, subject to successful gateway reviews – provides the opportunity for the NTCA to take a planned and strategic approach. Although the focus of this Investment Plan is on the first five years, this will not be at the expense of taking a longer-term perspective on how to maximise opportunities.

All projects must be aligned to Vision (Box 1) and associated success measures, particularly delivering more and better jobs. Projects will need to articulate how they respond to unmet needs, avoid duplication, fit with any activity commissioned by the NELEP, and work in partnership with the private and/or voluntary/community sector.

Projects will be expected to contribute to the NTCA's Inclusive Growth objectives. This means contributing to long term sustainable economic growth, whilst helping ensure that residents have access to new opportunities. Further details will be published by the NTCA, but all projects will be encouraged to consider a proportionate approach to these Inclusive Economy ambitions; considering issues spanning from inclusive procurement to supporting the principles of good work.

The NTCA will use its Assurance Framework, agreed with Government as a condition of the devolution deal, to ensure a robust process of project evaluation and validation. This will involve evaluating outcomes and costs, together with a focus on deliverability – with funding agreements encompassing these conditions. Projects will be expected to provide leverage from the private sector or other parties and to have utilised alternative funding streams, including from the NELEP.

Box 1: The NTCA's Economic Pillars, as set out in its Vision

Champion of enterprise

We're securing investment, fostering trade links and creating the infrastructure needed for sustained growth and prosperity. We're using this to create opportunities and reduce inequalities across our area.

Leaders of tomorrow

We're supporting a high quality, inclusive education system, which ensures our young people have the skills and qualifications to take up good quality training, apprenticeships and jobs.

Hotbed of talent

We're giving everyone the opportunity to thrive – to attain a fair wage, and access good jobs with continued training and skills development available once in work. We will work with business and civil society to change working practices, working with employers committed to providing pay and conditions which enable people to take up local jobs and progress.

Spark of innovation

We're supporting research, business growth and the entrepreneurialism that creates jobs and new opportunities across a range of key sectors. Supporting businesses and entrepreneurs to grow and flourish.

Network of connections

We're developing a better transport system and investing in an ever faster digital infrastructure to create stronger links across the North and internationally.

Pride of place

We're creating communities of inspiring places, homes and spaces that support more sustainable, low carbon futures, set within an environment where people want to live, work or visit. We'll also be enhancing our flourishing tourism industry, which attracts

visitors from all over the UK and further afield to explore and experience the diverse attractions of this most beautiful of places.

Investment Priorities

The Investment Plan is structured into three main themes, based upon the NTCA's pillars, together with development and capacity funding and an allocation to support major new economic opportunities:

i. **Business: Champion of Enterprise / Spark of Innovation**

Priorities include supporting the growth of key sectors, responding to needs identified by businesses. This will include investing in infrastructure, assets and innovation – helping develop a nationally and internationally competitive business environment. Any investment in property will be focussed on de-risking private sector investment, on a repayable basis, and prioritising instances where there is evidence that the project will address existing barriers to business growth or inward investment into the area.

Sectors and issues identified by the NTCA as areas where public intervention can help create new opportunities include: digital; life sciences, pharma and health; energy and offshore; low-carbon; ageing; and the adoption of new technologies.

The NTCA will work with existing businesses and new entrepreneurs to support companies to start up and grow. It will also encourage the attraction of new companies to the area – with the NTCA having already approved funding to support inward investment.

ii. **People: Hotbed of talent / Leaders of tomorrow**

In addition to embedding the principles of an inclusive economy within the NTCA Assurance Framework, and through the devolution of the Adult Education Budget, the NTCA will establish a dedicated Inclusive Economy Innovation Fund (IEIF). This will be targeted at marginalised and/or vulnerable people. A dedicated allocation from the investment fund will be used to leverage additional funding to support residents, contributing to our ambitions to become the national exemplar for showcasing the delivery of an inclusive economy. The Inclusive Economy Board will advise on the Fund's operation. The Fund will sit alongside commitments which have already been made by the NTCA around supporting the promotion of STEM and Digital Skills, and the North of Tyne Working Homes programme for those living within social housing.

Skills are a key constraint on business growth in several sectors and the NTCA is seeking to support the development of the skills needed to unlock growth in key sectors – co-investing with the private sector in joint initiatives which can help increase overall levels of skills and training.

iii. Place: Pride of place / Network of connections

Supporting and developing vibrant communities, which provide opportunities, choice and inspire pride is at the heart of the NTCA's Vision. The NTCA has already committed funding to promote growth of the rural economy and to encourage tourism through staging a leg of the Tour of Britain Cycling race.

Going forward, the Investment Fund will be used to support the development of the culture, creative and tourism sector – through investment in events, facilities, destination marketing and sector growth.

The investment fund will also be used to co-invest in digital or transport infrastructure that clearly supports economic growth and where there is the opportunity to work with local and national partners to leverage significant levels of external investment into the area.

iv. Project development and NTCA capacity funding

The NTCA is developing a pipeline of future investments. It will continue to support the development of business case proposals which will help deliver major projects in the area. Awards will be particularly focussed on projects which are seeking funding from Government, private sector or other sources.

In order to deliver the ambitious programme and vision of the Cabinet, the NTCA will use a proportion of its investment fund to provide adequate capacity in the core team. Although Government has provided some funding to meet the initial costs associated with setting up the Combined Authority, some of these costs will also need to be covered from the Investment Fund.

v. Major new strategic economic opportunities

The NTCA has agreed to set aside an allocation of funding which can be deployed to major new strategic economic opportunities. This funding will be used to secure these one-off projects which have the capacity to deliver a significant contribution towards our targets around jobs and inclusive growth.

Investment Fund: allocations from first £100million of investment

	Funding approved (£mn)	Additional allocation (£mn)	Total Allocation (£mn)
Business			
Growth of key sectors (Digital; new technologies; ageing, health and life sciences; Energy and offshore)		27 to 33	27 to 33
Business and enterprise support		3 to 4	3 to 4
Inward Investment	4	1 to 2	5 to 6
People			
Inclusive Economy Innovation Fund		10 to 12	10 to 12
STEM and Digital Skills	1.3		1.3
Skills for growth		3 to 5	3 to 5
Place			
Culture, creative and tourism (events, facilities, sectoral development, destination marketing)	0.4	6 to 8	6.4 to 8.4
Digital/transport Infrastructure (match)		4 to 6	4 to 6
Rural fund	1.3		1.3
Project development and delivery			
Business case development fund	0.5	4	4.5
NTCA Running costs	8.5		8.5
New Opportunities			
Major strategic economic opportunities		15 to 20	15 to 20
TOTAL	16	84	100

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Subject: Operational Update

Report of: Head of Paid Service

Portfolio: All

Report Summary

The purpose of this report is to update Cabinet on recent Business engagement and VCS engagement events; recruitment, including recent appointments and proposed method for the recruitment to senior officer positions and the progress of preparation for the Mayoral Election on 2nd May 2019. It also seeks Cabinet's approval for the location of office accommodation for the Combined Authority.

Recommendations

The Cabinet is recommended to;

- note the latest progress with recruitment and staffing; business and Community Voluntary Sector engagement; and, election preparations
- approve the permanent location of office accommodation for the Combined Authority at The Lumen, Newcastle Helix
- grant delegated authority to the Head of Paid Service in consultation with the Elected Mayor, the Interim Section 73 Officer and the Interim Monitoring Officer to negotiate lease arrangements for the permanent office accommodation location
- approve the temporary location of Quadrant West, Cobalt Business Park as office accommodation for a short-term period of up to 12 months pending completion of the development of The Lumen

1. Business Engagement

A Business Summit event was held on 1 March 2019 at the Centre for Life and around 100 businesses attended. The purpose of the event was to seek views

from businesses on their priorities (including in a post Brexit context) as well as consulting on future ways to engage with the sector.

The feedback was very wide-ranging with priorities spanning from improving skills to increasing industrial space to enhancing digital connectivity. The importance of supporting small businesses to grow was highlighted as a particular priority. Feedback also included making sure that we use bold narrative and a strong collective voice to ensure we promote the North of Tyne area and successfully retain a reputation as an open and welcoming place.

In terms of Brexit, the overall feedback from the sector was that from their perspective Brexit posed a risk rather than opportunity – multinationals were concerned that production would move plus many representatives in attendance identified skills challenges in particular. However, the view was that we should respond positively and flexibly for businesses, irrespective of the Brexit outcome.

There was a strong sense of enthusiasm to engage with the Combined Authority, to influence future direction and to work jointly on solutions. Preferences for the future approach to engagement included using both face-to-face and digital means, including through the Authority's newly created LinkedIn account.

There was support for North of Tyne Sectoral Steering Groups (Ageing/Digital/Culture and Creative Industries) plus a link in to regional groups (Energy and Subsea plus Pharma and Life Sciences). Businesses supported the development of a stakeholder newsletter.

Next Steps

- North of Tyne Manufacturing Summit (being organised by Advance Northumberland) on 15 May 2019
- Monthly meetings will be set up with CBI, NEECC, Entrepreneurs' Forum, Federation for Small Businesses
- Quarterly North of Tyne Breakfast Business Summits to be set up (14 June, 13 September and 12 December)

2. Community and Voluntary Sector Engagement

Three successful events were held on 11 March (Newcastle), 12 March (North Tyneside) and 14 March (Northumberland). These were jointly hosted by the Combined Authority and the local infrastructure organisations. Around 180 people attended.

The purpose of the events was to share the latest progress with the Combined Authority and to consult on future ways to engage and work in partnership.

Feedback from the events included a call for more recognition of the sector as a key element in the local economy with a challenge that the sector could be reflected more in the Economic Vision. Priorities also included the need to measure social impact and social value. The proposed Good Business Pledge was

received positively. There was support for greater involvement by young people in the work of the Combined Authority possibly through a Youth Council type structure as exists in the constituent local authorities.

On ways to engage and work in partnership in future, there was widespread support for the development of a high-level partnership agreement along similar lines to the one in Greater Manchester and those in place within the individual constituent authorities for North of Tyne. There was also support for a Mayoral Ambassador role to represent the sector (as contained in the Authority's constitution) and for the sector to be involved in the role of scrutiny.

On methods of communication there was a preference for the use of digital means for future engagement to ensure that organisations of all sizes have an equal opportunity to take part.

Next Steps:

- a follow up meeting is planned with Local Infrastructure Organisations and VCS from across the three local authorities and the Combined Authority to take forward the development of a partnership agreement which would be considered in due course by the Elected Mayor and Cabinet
- this meeting will also pick up the suggestions regarding ways to potentially involve young people in the work of the Authority as well as how the sector can be linked into the work of the Overview and Scrutiny Committee

3. Recruitment and Staffing

Set out below is the latest position regarding the recruitment of the permanent officer team for the Combined Authority.

- 3 permanent staff have now been appointed and 2 of these already in post (Scrutiny Officer, Head of Inclusive Growth and the Investment Programme Manager)
- recruitment to further roles will be completed by end April (lead accountant, business support officer, AEB analyst, AEB policy officer, economic advisors and policy development officers)
- Cabinet have also started the search for the senior officer posts
- recruitment is also due to start in April for 2 further roles (engagement officer, employment and skills manager)
- all current secondments are to be extended to end September 2019 – 14 people are currently on secondment across the team either on a full-time or part-time basis but this is likely to reduce as some people have applied for permanent positions within the Combined Authority as part of the recruitment process that is currently underway
- a further 2 posts on secondment are being sought across all 3 LAs to provide office support for the incoming Elected Mayor

4. Election Preparations

4.1 Election update

Following close of nominations there are five valid candidates

- John Christopher APPLEBY - Liberal Democrats
- Jamie DRISCOLL - Labour and Co-operative Party
- Charlie HOULT - Conservatives
- William Hugh JACKSON - UKIP
- John MCCABE - Independent

All candidates have their election address included in the Booklet, having contributed the required £1,500

Key dates in the next few weeks are –

- Delivery of Mayoral Booklet to all registered electors from 15 April
- Postal Votes are being delivered from Monday 15 April to existing postal voters, with a second delivery on 24 April for new postal voters (those applying up to the deadline on 15 April)
- Postal Vote Opening sessions commencing Thursday 25 April in all three local authority areas.
- Polling Day 2 May
- Verification of votes undertaken in each local authority area, overnight commencing 10.00pm 2 May
- Count, held centrally at Sport Central, Northumbria university, Newcastle upon Tyne Friday 3 May, commencing 10.00am

4.2 Communications and engagement update

- The NTCA Mayoral election communications and engagement activity is now well underway.
- The public awareness campaign started on 11 March, in collaboration with and funded by the Ministry for Housing, Communities and Local Government (MHCLG) and finished on 7 April.
- The campaign tagline is: **Your North of Tyne; Your Mayor; Your Vote** - activity included radio digital/outdoor advertising across the area; use of the NTCA web site and MHCLG press release.
- There has been extensive use of Social Media primarily focused on increasing awareness of the NTCA mayoral election, and encouraging and enabling people to get involved, why it's important, how to vote, what the deadlines are, and where they can vote.
- The Mayoral Booklet was signed off following publication of the mayoral candidates on 4 April. The booklet will be delivered to every resident

registered to vote across Newcastle, North Tyneside and Northumberland. These will start arriving on doorsteps w/c 8 April.

4.3

5. Office Accommodation

5.1 Currently the Combined Authority staff team, mostly secondees, have been temporarily based at the Civic Centre in Newcastle.

As the Combined Authority starts to appoint permanent staff, and the Mayor is elected, a permanent base is now required.

Various locations have been considered across the whole of the North of Tyne area and have been assessed on the basis of the following criteria

- accessibility to public transport
- value for money
- proximity to key stakeholders
- availability of parking
- future expansion opportunities

Formal meetings of the Combined Authority itself will continue to be held across different venues throughout the North of Tyne area to enable access by members of the public and other stakeholders who may wish to attend.

5.2 Permanent Office Accommodation

A long list of potential properties was initially considered against these criteria. Following this assessment, a shortlist of 5 properties were evaluated in detail.

Following this evaluation exercise, The Lumen on Newcastle Helix has been identified as the preferred option for the office accommodation. As outlined above, the formal meetings of the Combined Authority will continue to take place at different locations across the North of Tyne area. As the Lumen is still under development an interim location is also required.

5.3 Temporary Office Accommodation

A further assessment was undertaken from the available properties to assess which would be the most suitable for up to a 12 month period. The most appropriate option is Quadrant West in Cobalt Business Park. This office accommodation was previously occupied by North Tyneside Council but is now surplus to their requirements and therefore available immediately.

Work is underway to prepare the accommodation at Quadrant West ready for the officer team to move into week commencing 29 April. Once elected and having taken up office, the Elected Mayor and staff will also be located at this site until The Lumen is completed.

6. Potential Impact on Objectives

6.1 Clear stakeholder engagement is crucial to the success of the combined authority. Both business and VCS engagement will continue as outlined above.

To achieve its objectives, the Combined Authority will need to attract and retain suitably experienced staff. The recruitment of permanent staff currently underway will achieve this.

The temporary location will allow the new Authority to continue to be operational from early May 2019 and will allow the authority to start to achieve its objectives. The permanent base at The Lumen will then allow staff, and the Mayor, to have an operational location close to many stakeholders and with access to public transport systems and road systems to allow travel to both North Tyneside and Northumberland whilst being close to a main line station and the airport for access to National and International locations.

7. Key Risks

7.1 The key risks are:

- Not having good positive engagement with both business and the VCS sectors
- Election day risks
- Not attracting suitable high-quality staff to the roles
- not having a suitable permanent office location and not having an operational office by the time of the Mayor's election.

The proposals above manage these risks.

8. Financial and Other Resources Implications

8.1 The staffing and accommodation costs are accounted for in the Combined Authority budgets. The lease costs for The Lumen are to be finalised by the Head of Paid Service but will represent market value for Grade A office space in Newcastle.

9. Legal Implications

9.1 The Interim Monitoring Officer has been consulted and has no comments to add.

10. Consultation/Engagement

10.1 There has been internal consultation with the Interim Mayor and Cabinet on all work in relation business & VCS engagement, progress with staffing and the choice of office accommodation. The office location was undertaken using criteria discussed with cabinet and the Interim Mayor.

11. Contact Officers

11.1 **Pat Ritchie**, Interim Head of Paid Service, pat.ritchie@newcastle.gov.uk

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