

## **North of Tyne Combined Authority, Cabinet**

28 January 2020

(2.06 - 2.56 pm)

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

### **Minutes**

#### **Present:**

Chair: Mayor J Driscoll

Councillors G Bell, W Daley, P Jackson, J McCarty and B Pickard and Mayor N Redfearn

#### **ANNOUNCEMENTS FROM THE CHAIR**

The Mayor welcomed everyone to the meeting.

In his opening remarks, the Mayor welcomed the launch of the new Metro Futures, the major investment in the Tyne and Wear Metro. The programme would cover the next 35 years of Metro trains. Amongst the many benefits of the programme, it would safeguard 100 jobs at the new maintenance depot in South Gosforth. The new trains would increase the capacity of the Metro system, and would be an anchor of our green transport system.

Stadler had been announced as the winning bidder to build the new Metro fleet. Companies based in the North East would be part of the supply chain.

The Mayor also welcomed the news that the government had confirmed its support of £1.5m for the business case development for the proposed Northumberland to Newcastle rail line.

He also added that the first North of Tyne Mayor's Question Time would be held on 10 February in Hexham.

#### **50 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor N Forbes and Mr R Fry.

## 51 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

## 52 **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 17 December 2019 were approved as a correct record and signed by the Chair.

## 53 **INVESTMENT FUND UPDATE AND FUNDING APPROVALS**

Submitted: A report of the Director of Economic Growth (previously circulated and attached to the Official Minutes).

The Cabinet considered the report which set out proposed approaches to investment within the digital, culture-and-creative and tourism-and-events sectors. The report also set out for approval the recommendations made by the Investment Panel regarding Business Case Development Fund applications.

A Member spoke about the significance of the local Energy sector, including within the global economy, and gave the example of the Blyth Wind Turbine Blade Test Facility.

It was noted that Councillor W Daley was no longer a member of Advanced Northumberland, whilst Councillor P Jackson remained a member, and this had been declared.

**RESOLVED** – That the Cabinet:

- i. Agreed £30,385 to support the Northumberland Energy Park Phase 3 (NEP3) Feasibility Study, subject to conditions outlined at paragraph 2.1.6 of the report;
- ii. Agreed £40,000 to support the Robotics Cluster for Offshore Energy proposal, subject to conditions outlined at paragraph 2.2.8 of the report;
- iii. Authorised the Head of Paid Service to finalise the conditions to be attached to the above funding award, and authorised the Interim Monitoring Officer to complete the necessary documentation.

### (a) **North of Tyne Tourism - proposed investment approach**

Submitted: A report of the Director of Economic Growth (previously circulated and attached to the Official Minutes).

The Cabinet considered the report which:

- outlined proposals for a North of Tyne Events Programme and an approach to destination marketing that would support leisure and business tourism activities;
- brought back the results of the work to develop investment proposals in the culture-and-creative and tourism sectors, including suggestions for adding value in these sectors, provided more details on a suggested approach and set out a recommendation on the Investment Fund allocation; and
- showed how the Combined Authority might begin to play a potentially catalytic role within a wider tourism economy of the region.

Members welcomed the report. In discussion, Members referred to the vast choice of tourist attractions across the North of Tyne area and the importance of raising awareness of these attractions for investment. Members also emphasised the importance of skill development for this sector, including through innovative approaches, to increase productivity.

**RESOLVED** – That the Cabinet:

- i. Noted the contents of the report; considered the proposals for an events strategy and destination marketing; and endorsed the recommended approaches.
- ii. Agreed an indicative overall Tourism Programme allocation of £15m over 10 years.
- iii. Approved a budget of £3.5m for the Tourism Programme up to 2022/23 (from the Culture, Creative and Tourism allocation in the NTCA Investment Plan) and agreed to consider the budget for future years following a review in 2022/2023.
- iv. Authorised the Head of Paid Service, in consultation with the Investment Panel and Portfolio Holder, to consider and approve a full business case for the North of Tyne Tourism Programme.
- v. Agreed to hold a stakeholder event to showcase the NTCA programme and convening role, and agreed to receive further proposals for how best to facilitate ongoing business and sector engagement.

**(b) Culture and Creative Industries - Sector Development Update**

Submitted: A report of the Director of Economic Growth (previously circulated and attached to the Official Minutes).

The Cabinet considered the report which set out a proposed approach to support the growth of the Culture and Creative Industries sector in the North of Tyne region.

Members welcomed the report and the opportunities the sector presented.

Comments included:

- the important role of the sector as part of overall wellbeing;
- the valuable opportunities for the creation of career options within the sector;
- the role of the sector within the global economy and employment market, including in countervailing the impact of technological advancements and creating opportunities and growth;
- opportunities for the creation of centres of excellence, which could be particularly valuable for engagement and development of young people, developing skills and growing talent.

**RESOLVED** – That the Cabinet:

- i. Noted the evidence base summarised in the report, and endorsed the sector narrative which set out a vision for growing the productivity of the Culture and Creative Industries sector;
- ii. Agreed the initial phases of activity within each of the three proposed Investment Programmes set out in the report, to begin delivery against the vision for the Culture and Creative Industries sector;
- iii. Agreed an overall Investment Fund allocation of £6m (up to 2023) for the Culture and Creative Programme (£4.75m from the Culture, Creative and Tourism allocation and £1.25m from the Skills for Growth allocation in the NTCA Investment Plan);
- iv. Agreed (within the overall envelope above) a budget of £2.5m for a Culture and Creative Enterprises Programme which would include establishing three Culture and Creative Zones pilots (one in each Local Authority Area);
- v. Agreed (within the overall envelope above) a budget of £2.25m for a Culture and Creative Content Programme which would include £0.5m for business case development fund applications relating to the Film, TV and Media Growth Programme and the Innovation and Growth in Literature and Publishing Programme.
- vi. Agreed to consider the Skills for Growth elements of the programme at a later date in conjunction with proposals emerging from the other key sector development proposals.
- vii. Authorised the Head of Paid Service, in consultation with the Investment Panel and Portfolio Holder, to consider and approve relevant call documentation, business case applications and strategic commissioning frameworks relating to delivery of the Culture and Creative Programme.
- viii. Agreed to hold a stakeholder event to showcase the NTCA programme and convening role; seek further ideas on next steps and future priorities; and receive further proposals for how best to facilitate ongoing business and sector engagement.

(c) **North of Tyne Digital - sector update and proposed investment approach**

Submitted: A report of the Director of Economic Growth (previously circulated and attached to the Official Minutes).

The Cabinet considered the report which set out a proposed approach to driving growth, skills and connectivity within the North of Tyne's Digital economy and proposed launch a NTCA Digital Growth and Innovation Programme.

Members welcomed the report and the progress made. The Mayor spoke about the importance of this sector for everyone and welcomed the proposed sector narrative.

**RESOLVED** – That the Cabinet:

- i. Noted the contents of the report and endorsed the sector narrative which set digital as a golden thread that connected the North of Tyne Combined Authority's wider ambitions, and as a rapidly growing and highly productive sector in its own right;
- ii. Agreed the priorities and initial phase of activity outlined in section 4 of the report, specifically the funding and next steps set out in section 5, and noted further work that would be done to develop them;
- iii. Agreed an overall funding allocation from the Investment Fund of £10m up to March 2023, which would enable the delivery of the emerging North of Tyne Digital programme and development of a shared Digital Sector Narrative;
- iv. Approved a budget of £1.5m (within the envelope above), for an initial targeted call for projects to support digital adoption within Small to Medium Enterprises (SMEs) based in the NTCA area;
- v. Agreed to work closely with the National Innovation Centre for Data to understand and bring forward a proposal on how it could apply its unique data expertise and capacity to unlock innovation and growth and amplify its local economic impact, in particular with small and SMEs, groups of SMEs, value chains or supply chains;
- vi. Authorised the Head of Paid Service, in consultation with the Investment Panel and Portfolio Holder, to finalise and publish any relevant call documentation and assessment criteria associated with the Digital Adoption Call and to approve subsequent offer(s) of funding to successful applicant(s);
- vii. Agreed to receive a future report setting out the practical steps to implement the Digital Growth and Innovation programme; including proposals for communication and ongoing sector engagement; and
- viii. Agreed to hold a stakeholder event to showcase the NTCA programme and convening role; seek further ideas on next steps and future priorities; and receive further proposals for how best to facilitate ongoing business and sector engagement.

#### 54 **2019/20 Q3 FINANCIAL MANAGEMENT REPORT**

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

The Cabinet considered the financial monitoring report for the third quarter of the 2019/20 financial position.

The Mayor welcomed the progress achieved on jobs creation, which was well ahead of the long-term target.

**RESOLVED** – That the forecast budget monitoring position for the Combined Authority, as set out in paragraphs 1.2, 1.3 and 1.4 of the report, be noted.

#### 55 **NTCA BUDGET PROPOSALS 2020-2024**

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

The Cabinet considered the report which invited it to approve the budget for the Combined Authority for 2020-2021, and the medium-term financial plan for the period 2020-2021 to 2023-2024. The Cabinet was also invited to take into account comments made by the Overview and Scrutiny Committee.

Councillor G Roughead, the Chair of the Overview and Scrutiny Committee, presented the Committee's recommendations. During his presentation, Councillor G Roughead welcomed the good working relationships between the Overview and Scrutiny Committee and the Cabinet and the good cross-party work overall across the constituent local authorities.

#### **Response of the Cabinet:**

- The Cabinet welcomed the report.
- The Cabinet expressed thanks for the work and approach of the Overview and Scrutiny Committee.
- The Cabinet recognised the value of scrutiny as part of the democratic process and appreciated the value it added to the Authority's decision-making.
- Engagement with the public and ensuring they felt they could input into decision-making was important and very much part of the work of the Combined Authority.
- Cabinet Members engaged with stakeholders on budget matters, and information on this could be provided to the Overview and Scrutiny Committee in future.

- Further to a recommendation by the Overview and Scrutiny Committee, it was noted that a further review of the Authority's budget would be necessary, particularly in the light of future changes to the Devolution Deal.
- The Cabinet acknowledged the comments and observations made in the Overview and Scrutiny Committee's report and agreed with the recommendations.
- Thanks were offered to L Kerr, the Authority's Scrutiny Officer for her valuable work.

**RESOLVED** – That the Cabinet:

- i. Noted the comments of the Overview and Scrutiny Committee regarding the Budget proposals;
- ii. Agreed the Corporate Budget for 2020-2021 as set out in paragraph 1.1 of the report.
- iii. Agreed the Investment Fund as set out in paragraph 1.2 of the report.
- iv. Agreed the Adult Education Budget as set out in paragraph 1.3 of the report.
- v. Agreed the Treasury Management Strategy 2020-2021 as described in paragraph 1.5 of the report and attached at Appendix A.
- vi. Noted that the Transport Levies would be issued on the 15<sup>th</sup> February 2020 in line with 2019-2020 arrangements and amounts.
- vii. Agreed to hold the level of reserves set out in paragraph 1.8 of the report and noted that the Chief Finance Officer continued to keep the level of reserves under review as the Combined Authority developed and new information became available about the financial risks facing the Authority's arrangements for managing those risks.

(a) **North of Tyne Combined Authority 2020-2024 Budget Proposals, Overview and Scrutiny Committee Report to Cabinet**

Submitted: A report of the Overview and Scrutiny Committee (previously circulated and attached to the Official Minutes).

**RESOLVED** – That the Cabinet:

- i. Accepted the report as the response from the Overview and Scrutiny Committee to the 2020-2024 Budget proposals for the North of Tyne Combined Authority and took its comments and observations into account when agreeing the Budget;
- ii. Agreed to formally review the agreed budget proposals after six months; and

- iii. Agreed to include in the Budget Setting timetable for 2021-2022 more details on who would be consulted on the draft proposals and when, and to make provision for members of the public to be able to comment if they so wished.

(b) **NTCA Budget Proposals 2020-2024 - Update on support arrangements to the North East Local Enterprise Partnership and the Joint Transport Committee**

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

The Cabinet considered the report which sought authority to finalise arrangements between the North of Tyne Combined Authority, North East Combined Authority and respective seven local authorities regarding the support provided to the North East Local Enterprise Partnership (LEP) and the Joint Transport Committee (JTC).

It was noted that an update report, setting out further detail, would be provided to a future meeting.

**RESOLVED** – That the Cabinet:

- i. Authorised the Head of Paid Service, in consultation with the Mayor, to finalise the arrangements between both combined authorities and the respective seven local authorities regarding the support arrangements to the LEP and JTC as described in the report.
- ii. Authorised the Monitoring Officer to complete a new Deed of Co-operation and a new Accountable Body Agreement as described in the report: and
- iii. Authorised the Chief Finance Officer and the Monitoring Officer to take such other steps as were necessary to give effect to the proposals in the report.

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

Tuesday, 25 February 2020 at 2pm.