

Cabinet

Tuesday, 26 September 2023 at 2.00 pm

Meeting to be held: Committee Room, Civic Centre, Newcastle upon Tyne, NE1 8QH

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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 submitted to the Democratic Services Officer). Please also remember to leave the meeting where any personal interest requires this.

Note: Members of Cabinet have been granted dispensations so that they may participate in decisions which relate to the constituent authority which appointed them.

3. **Any announcements from the Mayor and/or the Chief Executive**

4. **Minutes of the Previous Meeting** 1 - 4

5. **North East Local Enterprise Partnership - Project Funding Decisions Update** 5 - 8

6. **Investment Fund Update and Funding Approvals**

Members are requested to note the intention to circulate the above report on a supplemental agenda in accordance with the provisions of the Local Government (Access to Information) Act 1985

7. **Date and Time of the Next Meeting**

Tuesday, 28 November 2023 at 2pm.

8. **Exclusion of Press and Public**

Under section 100A and Schedule 12A Local Government Act 1972 because exempt information is likely to be disclosed and the public interest test against disclosure is satisfied.

9. **Confidential Minutes**

9 - 10

10. **North East Local Enterprise Partnership - Project Funding Decisions Update - Appendix A and Appendix B**

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Cabinet

25 July 2023

Meeting held: Committee Room, Civic Centre, Newcastle upon Tyne, NE1 8QH

Minutes

Present:

Chair: Dame Mayor N Redfearn

Councillors A Hay, C Johnson, K Kilgour, G Sanderson and R Wearmouth and Ms L Winskell

17 APOLOGIES FOR ABSENCE

Apologies for absence were received from Mayor J Driscoll and Councillor N Kemp.

18 DECLARATIONS OF INTEREST

There were no declarations of interest.

19 ANY ANNOUNCEMENTS FROM THE MAYOR AND/OR THE CHIEF EXECUTIVE

Dame Mayor Redfearn thanked members, officers and partners for their joint working for the benefit of residents of the region.

20 MINUTES OF THE PREVIOUS MEETING

The minutes of the previous meeting held on 6 June 2023 were approved as a correct record and signed by the Chair.

21 AUDIT AND STANDARDS COMMITTEE ANNUAL REPORT 2022/23

Submitted: A report of the Audit and Standards Committee (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which set out information on the work carried out by the Audit and Standards Committee during 2022/23. The report was introduced by Mr D Willis, the Chair of the Audit and Standards Committee.

The Cabinet welcomed the report, thanked Mr Willis and the Audit and Standards Committee for their work and achievements and welcomed the inclusion of the

transitional arrangements in relation to the forthcoming mayoral combined authority for the seven councils' region into the committee's work program.

The Cabinet noted that the national issue of the lack of auditors remained live; and it had been discussed by the Public Accounts Committee.

RESOLVED – That the report be noted.

22 **NTCA ANNUAL PAY POLICY 2023-24**

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

The Cabinet considered the report which provided information on NTCA's annual Pay Policy Statement and sought its approval. The report was introduced by J Gillespie, the Director of Finance.

RESOLVED – That the NTCA Pay Policy Statement as attached at Appendix A to the report be approved.

23 **INVESTMENT FUND UPDATE AND FUNDING APPROVALS**

Submitted: A report of the Head of Strategy and Innovation (previously circulated and copy attached to Official Minutes).

The Cabinet considered the report which provided an update on progress with the North of Tyne Investment and UKSPF programmes and sought associated approvals. The report was introduced by Councillor C Johnson, the Cabinet Member for Investment and Resources.

The Cabinet welcomed the report. Thanks were offered to members, officers and partners for their work and achievements.

RESOLVED – That the Cabinet:

- i. Noted progress to date on the Investment Fund and UKSPF, achievement of key milestones and ongoing project development work, particularly in respect of the creation of new jobs for residents as a direct result of the NTCA investments.
- ii. Approved £184,304 of funding for the 'Working Well North Tyneside' project, which will be led by North Tyneside Council.
- iii. Authorised the Chief Executive to make final approvals and associated decisions relating to implementation, in accordance with existing delegations, for the £13.1m of projects described in the report, using Investment Fund and UKSPF resources.
- iv. Noted that the NTCA had been asked by Government to bring forward a Local Nature Recovery Strategy for the area and agreed that Northumberland County Council would develop and prepare this Strategy; and

- v. Accepted the award of £285,000 of financial resources provided to the NTCA by Government for the preparation of the Local Nature Recovery Strategy, which would be in addition to the £48,804 of seed funding previously awarded, and delegated approval to the Director of Finance to agree the scope and terms for delivery of this work with Northumberland County Council.

24 **NTCA 2022/23 STATEMENT OF ACCOUNTS**

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

The Cabinet considered the report which set out an updated position on the NTCA Draft 2022/23 Statement of Accounts. The report was introduced by J Gillespie, the Director of Finance.

The Cabinet also noted the updated position regarding the timetables for the completion of 2021/22 audit and the publication of the 2022/23 Draft Statement of Accounts.

RESOLVED – That the updated position on the publication of the 2022/23 North of Tyne Combined Authority (NTCA) Draft Statement of Accounts be noted.

25 **2023-2024 QUARTER 1 BUDGET MONITORING REPORT**

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

The Cabinet considered the first quarter monitoring report on the 2023/24 financial position. The report was introduced by J Gillespie, the Director of Finance.

RESOLVED – That the 2023/24 forecast budget monitor position for the Combined Authority as set out in the following sections of the report: Section 2 - Corporate Budget, Section 3 - Investment Fund (including capital spend), Section 4 - UK Social Prosperity Fund (UKSPF), including Rural England Prosperity Fund and Multiply, Section 5 - Brownfield Housing Fund, Section 6 - Adult Education Budget (AEB), Section 7 - Bootcamps and Section 8 - Reserves position, be noted.

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

Tuesday, 26 September 2023 at 2pm.

27 **EXCLUSION OF PRESS AND PUBLIC**

RESOLVED – That, by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, press and public be excluded from the remainder of the meeting for the duration of the consideration of agenda item 12 (Investment Fund Update and Funding Approvals – Appendix) because exempt information was likely to be disclosed and the public interest test against the disclosure was satisfied.

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Subject: North East Local Enterprise Partnership – Project Funding Decisions Update
Report of: Chief Executive of the North East Local Enterprise Partnership
Portfolio: All

Report Summary

The purpose of this report is to update the Cabinet on the work and decisions of the North East Local Enterprise Partnership (North East LEP). Since the North of Tyne Combined Authority Cabinet meeting held on the 6 June 2023 there have been a small number of project funding decisions related to the investment programmes managed by the North East LEP, for which NTCA is the accountable body. This report provides summary information about the Local Growth Fund (LGF), Getting Building Fund (GBF), Enterprise Zone (EZ), Project Development Accelerator Fund (PDAF) and North East Investment Fund (NEIF) programmes.

Recommendations

Cabinet is recommended to:

1. Note the report which provides information on the work and funding decisions of the North East Local Enterprise Partnership (North East LEP) since the previous update on 6 June 2023.

1. Background Information

- 1.1 The report provides an update on the North East LEP project funding decisions made since the 6 June 2023. The North East LEP manages a range of funding programmes including the Local Growth Funding (LGF), the Getting Building Fund (GBF), the North East Investment Fund (NEIF), the Enterprise Zone (EZ) programme and the Project Development Accelerator Fund (PDAF).
- 1.2 Project funding decisions are made in line with the North East LEP Constitution and Scheme of Delegation which sets out how decisions can be made through the North East LEP Board, the Investment Board or through the delegated decision process.
- 1.3 The North of Tyne Combined Authority (NTCA), as the North East LEP accountable body, is the legal entity which issues the grant and loan agreements to project applicants and as such must satisfy itself of the legal and financial probity of any decisions it implements on behalf of the North East LEP. This means that the North East LEP project funding decisions also need to be authorised through NTCA decision-making for legal and financial probity reasons, rather than endorsing the actual in principle decision of the North East LEP.

2. Funding Decisions

- 2.1 Approval was confirmed through the North East LEP Board to enable:
 1. To use uncommitted LGF programme balances up to £65,000 towards the EZ Development Studies initiative and £228,024 towards the Project Development Accelerator Fund, displacing existing EZ and NEIF resources to help achieve LGF budget expenditure plans for 2023/24.

- 2.2 Approval was confirmed by Helen Golightly, Chief Executive on the recommendation of the North East LEP Investment Board to enable:
1. The North East Property Fund to extend a loan to BDND Ltd from £2m to £2.5m to fund additional works on the site of the former North East Railway Stables in the Sheepfolds area of Sunderland. This was a short-term extension with the loan planned to be repaid fully by the year end.
- 2.3 A copy of the funding decisions report taken to the 20 July 2023, North East LEP Board is attached for information, as set out in confidential Appendix A.
- 2.4 Under the Challenge North Tyne Innovation Programme, delegated decisions were approved by Helen Golightly, Chief Executive, to award the remaining budget to support small scale equipment grants to SMEs. Award allocations are recorded in confidential Appendix B.
- 3. Potential Impact on Objectives**
- 3.1 The decisions support the vision and objectives of the North East LEP Strategic Economic Plan 2014- 2024 and the North East LEP Annual Delivery Plan 2023-2024.
- 4. Key Risks**
- 4.1 The North East LEP is managing financial, regulatory and reputational risks at both project level and programme level. Individual project level risks are assessed prior to funding approval as part of the project appraisal process and in accordance with the North East LEP Assurance Framework.
- 4.2 NTCA's finance and legal officers consider all related grant and loan funding agreements including subsidy control matters to ensure legal and financial probity prior decisions being taken.
- 5. Financial and Other Resources Implications**
- 5.1 The Section 73 Officer is consulted on all funding decisions going through the NTCA decision-making process to ensure financial probity and whether the budget provision is available.
- 6. Legal Implications**
- 6.1 The comments of the Monitoring Officer have been included within this report.
- 7. Equalities Implications**
- 7.1 All North East LEP funded projects are required to be delivered in accordance with the objectives set out under s149 of the Equalities Act 2010.
- 8. Inclusive Economy Implications**
- 8.1 The North East LEP follows the policies set out in its North East Strategic Economic Plan (SEP) that promote sustainable economic growth across the region. The core objective of the North East SEP is to support the creation of 100,000 'more and better' jobs in the region by 2024.
- 8.2 Projects consider the impact on inclusive growth in the North East.
- 9. Climate Change Implications**
- 9.1 A number of projects / mini programmes supported by the North East LEP funding programmes are specifically supporting efforts to achieve Net Zero goals and to mitigate against climate change.

10. Consultation and Engagement

10.1 Proposals have been developed through the North East LEP Board and Investment Board processes.

11. Appendices

Appendix A: Copy of the North East LEP Board funding paper – 20 July 2023

Appendix B: Delegated decisions reports

The appendices are not for publication by virtue of paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972, information relating to the financial or business affairs of any particular person (including the authority holding that information).

12. Background Papers

None

13. Contact Officers

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14. Glossary

EZ – Enterprise Zone
GBF – Getting Building Fund
LEP – Local Enterprise Partnership
LGF – Local Growth Fund
NEIF – North East Investment Fund
PDAF – Project Development Accelerator Fund

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