
**Report from Service
Area:**

Chief Executives Office

Responsible Officer:

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

(Tel: (0191)6435339)

Wards affected:

All Wards

PART 1

1.1 Purpose:

This report relates to the decision taken by Cabinet on 11 December 2017 to agree the findings of the Governance Review jointly undertaken by this Authority, Newcastle City Council and Northumberland County Council and to the publication of the Scheme appended to the Governance Review following the announcement of a “minded to” Devolution Deal for the North of Tyne area by the Chancellor of the Exchequer in his Budget Statement on 22 November 2017.

To implement the Deal, the North of Tyne Authorities consisting of this Authority together with Newcastle City Council and Northumberland County Council need to withdraw from the existing North East Combined Authority (NECA) and establish a new North of Tyne Mayoral Combined Authority.

On agreeing the contents of the Scheme and to it being publically consulted on between 14 December 2017 and 5 February 2018, Cabinet gave the Chief Executive the delegated authority to make amendments to the Scheme after consultation with the Elected Mayor and the Monitoring Officer if considered appropriate prior to it being published.

1.2 Recommendation(s):

It is recommended that:

1. The Scheme is amended as shown in Appendix 1 of this report by the Chief Executive using the specific delegated authority given to him by Cabinet on 11 December 2017.

1.3 Council Plan and Policy Framework

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

1.4 Information:

1.4.1 Background

- 1.4.2 On 22 November 2017 HM Government announced that it was minded to enter into a devolution deal with the North of Tyne Authorities (i.e. this Authority, Newcastle City Council and Northumberland County Council) under which they will benefit from £600 million of new Government investment to spend on local priorities to boost growth, together with a range of devolved powers. This Devolution Deal is subject to the North of Tyne Authorities establishing a Combined Authority for their area with an Elected Mayor.
- 1.4.3 In order to establish a Mayoral Combined Authority for their area, the North of Tyne Authorities will first need to withdraw from NECA. This will be dependent on the Secretary of State making an order under section 106 of the Local Democracy, Economic Development and Construction Act 2009 (“the 2009 Act”) to amend the existing boundaries of NECA. The creation of a new Mayoral Combined Authority for the North of Tyne area will also be dependent on the Secretary of State making an Order under sections 103 and 107A of the 2009 Act.
- 1.4.4 As the first part of these statutory processes, the North of Tyne Authorities undertook Governance Reviews under section 111 of the 2009 Act in relation to the proposed amendment of the boundaries of NECA so as to remove the North of Tyne Councils from NECA and a governance review under section 108 of the 2009 Act in relation to the proposed creation of a Mayoral Combined Authority for the North of Tyne Area.
- 1.4.5 At its meeting on 11 December 2017 Cabinet was satisfied that the proposed amendment of the boundaries of NECA would improve the exercise of statutory functions across in the existing NECA area and that the proposed creation of a new Mayoral Combined Authority for the North of Tyne Area would improve the exercise of statutory functions in the North of Tyne area and therefore agreed to the publication of the Scheme appended to the Governance Review.
- 1.4.6 The Scheme is to be consulted on as set out above across the entire NECA area. At the end of that public consultation, a summary of the consultation responses will be submitted by the North of Tyne Authorities to the Secretary of State who will then decide whether the statutory criteria to allow him or her to make the Orders have been met and whether the relevant bodies have provided their consent to the making of the Orders.
- 1.4.7 Following further discussions with representatives from DCLG and in order to clarify some of the contents of the Scheme, each of the North of Tyne Authorities have agreed that it is appropriate to amend the Scheme before its publication as shown in Appendix 1. None of the proposed amendments change the Scheme in a material way or effect the functions that are to be devolved to the proposed North of Tyne Combined Authority under the “minded to” Devolution Deal.

1.5 Decision options:

The following decision options are available for consideration:

Option 1

To amend the Scheme as shown in Appendix 1.

Option 2

Not to amend the Scheme as shown in Appendix 1.

Option 1 is the recommended option.

1.6 Reasons for recommended option:

Option 1 is recommended for the following reasons:

Following further input from DCLG on the draft Scheme that has been shared with that Department, and in order to clarify the contents of the Scheme and what is being proposed in the Scheme it is appropriate for this Authority, Newcastle City Council and Northumberland County Council to amend the Scheme as set out in Appendix 1

1.7 Appendices:

Appendix 1 – Proposed Changes to the Scheme

1.8 Contact officers:

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

1.9 Background information:

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

- The Local Democracy, Economic Development and Construction Act 2009
- The Minded to Deal
- Cabinet Report (with Appendices) of 11 December 2017
- Draft Minutes of Cabinet meeting of 11 December 2017

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There are no financial implications relating to this report.

2.2 Legal

The Head of Law and Governance is the author of this report and the key legal implications are set out in the body of the report.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The Elected Mayor, Cabinet Members and other Members have been given briefings in relation to devolution for North of Tyne

2.3.2 External Consultation/Engagement

The North of Tyne Devolution Deal has been widely reported and the governance review and Schemes will be subject to an 8 week public consultation process.

2.4 Human rights

There are no material human rights issues.

2.5 Equalities and diversity

There are no material equality or diversity issues.

2.6 Risk management

There are no risks associated with this report.

2.7 Crime and disorder

There are no crime and disorder issues.

2.8 Environment and sustainability

There are no material environmental and sustainability issues.