

## North East Devolution Stakeholder Consultation Events - November 2015

### Proposed Agreement: Quick Reference Summary

#### Proposed Agreement

- Sets out terms between NECA and Government to move forward with devolution of funding, powers and responsibilities
- Iterative process from our initial ask to proposed agreement
- Final agreement conditional on:
  - formal approval by Councils, NECA and Ministers
  - legislative processes
  - Spending Review
  - further public consultation
- Proposal similar to but broader than Sheffield or Manchester deal
- Mayor to be elected in 2017

#### Finance and Funding

- Context of the Spending Review – cuts to come
- NE Investment Fund (>£1.5 billion, funded by £30m per year for 30 years, revenue commitment from government)
- Additional / extended Enterprise Zones
- Long-term transport and economic development funding
- Decision-making on European Funds
- Capital receipts from asset sales to fund public service transformation
- Place-based funding for devolved functions
- Level playing field with Scotland for local businesses
- Business rate growth retention
- Costs of Mayoral CA met from devolved resources
- Fair funding for constituent authorities

#### Human Capital Development

- North East Employment and Skills Board
- Brings together NECA, Government, Schools and Business reps to address key challenges:
  - Review and redesign post 16 education and training
  - Devolved responsibility for adult skills
  - Promote vocational training, apprenticeships and traineeships, work experience and business start ups
  - Co-design all future employment support from April 2017 for harder to help claimants (including Work Programme)
  - Examine further devolution to NECA from 2019
- Service Transformation Fund will support individuals and families with complex needs to access training and employment

#### Transport

- Devolved transport budget, including local highways and sustainable travel
- Long term investment in the Metro (network improvement, improved fleet, extensions to the rail network)
- Bus regulation
- Oversight of rail services and business case for Ashington, Blyth and Tyne line
- Delivery of smart ticketing
- Investment Agreements with Highways England and Network Rail

## **Health and Social Care Integration**

- NECA / NHS joint Commission for Health and Social Care Integration in the North East – will report in April 2016
- Integrated system for acute care, primary care, community services, mental health services, social care and public health
- Ensure the system is financially sustainable
- Invest a fair share of resources in the NE
- Improve health outcomes across the North East
- Ensure local democratic accountability

## **Business & Innovation**

- Full devolution of Business Support from 2017
- Government and NECA to work to devolve further UKTI services
- New arrangements for partnership with business
- Innovation programmes (National Smart Data Institute, Broadband)
- Joint responsibility for with Government for Inward Investment
- Science and Innovation Audit in partnership with NE universities
- Joint programme with Government to ensure 4G broadband to 95% of area, NECA to invest in remaining area

## **More and better homes, Rural Growth, Regulatory Powers**

- North East Land Board - review public sector, brownfield and surplus land for development and reinvestment
- Devolved CPO powers to drive housing delivery and stock improvements
- Create North East Planning Development Framework (not a spatial strategy), led by the Mayor
- Close working with Homes and Communities Agency to deliver housing growth in North East
- Work towards the devolution of rural growth programmes
- Regulatory devolution for public health (obesity, alcohol, smoking), housing and planning, private rented sector quality, transport

## **Other issues**

- NE to host national business, sporting and cultural events
- Business cases for relocation of significant government functions to NE
- Airport Passenger Duty – protecting Newcastle Airport
- Proposals for an appropriate relationship between Mayor and PCCs, including in relation to Fire, to be developed jointly with PCCs and Fire and Rescue Authorities
- Joint monitoring of implementation with Government

## **Governance**

- Government has made devolution conditional on the creation of a Mayor for the North East
- Powers devolved to Mayoral Combined Authority
- New powers come from Government - local authorities continue to deliver majority of local services
- An “embedded” Mayor – subject to checks and balances within the Combined Authority
- Mayor elected in 2017 and becomes chair and member of NECA
- Mayor exercises ‘certain powers’ autonomously and delivers their Mandate as Chair
- Leaders become cabinet with portfolios set out in constitution
- Overview and scrutiny continues
- NECA to work with partners across North of England
- Strengthened role for business working with the Mayor and Combined Authority