

North Tyneside Council

Report to Cabinet

10 March 2014

Item 7(k)

URGENT ITEM

**Combined Authority
Appointment of Members
and Secondment of
Officer**

Portfolio(s): Elected Mayor

Cabinet Member(s): Elected Mayor

Report from Service

Area: Chief Executive Office

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Wards affected: All

PART 1

1.1 Purpose:

To seek from Cabinet agreement to the appointment of the Elected Mayor as the representative of North Tyneside Council to be a member of the Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority (the Combined Authority) and the appointment of another member of Cabinet to act as a member of the Combined Authority in the absence of the Elected Mayor.

In addition, delegated authority from Cabinet to second an employee of the Authority on a part-time basis to the proposed Combined Authority is sought.

1.2 Recommendation(s):

It is recommended that Cabinet:

a) appoints the Elected Mayor to be a member of the Combined Authority and appoints a named substitute to act as a member of the Combined Authority in the absence of the Elected Mayor; and

b) agrees to the secondment of the Head of Law and Governance to the Combined Authority, when it is established, for up to 2 days per week and delegates to the Chief Executive, in consultation with the Elected Mayor and the Strategic Manager – Human Resources to complete all formal arrangements including entering into a secondment agreement on behalf of the Authority.

1.3 Forward Plan:

28 days notice of this report has not been given. These decisions are urgent and cannot wait until the next meeting of Cabinet on 7 April 2014 as the Combined Authority is expected to come into being on or around 1 April 2014 or very shortly after that date.

The Combined Authority is required to have its members in place in readiness for when the Combined Authority is created so that immediately on its inception there are members who can make decisions on behalf of the Combined Authority. On the first day of its creation, the members of the Combined Authority will need to formally appoint its Chair and Vice-Chair, adopt its Constitution and appoint its Statutory Officers, including the appointment of its Monitoring Officer. This means that the Combined Authority will be fully operational immediately upon its establishment.

As there is a need to have Statutory Officers in place on the Combined Authority's establishment, the delegation to authorise and agree the secondment proposed in this report needs to be in place to allow the Combined Authority to designate its Monitoring Officer immediately on its establishment.

In accordance with the urgency provisions contained in the Authority's Constitution, approval has been obtained from the Chair of the Overview and Scrutiny Committee to this report being considered as a matter of urgency and from the Chair of the Council that the decision would not be subject to call in for the reasons given above.

1.4 Council Plan and Policy Framework

This report supports the Our People and Our Economy themes within the Our North Tyneside Council Plan.

1.5 Information:

Background

- 1.5.1 In June 2013 Cabinet agreed and Council endorsed proposals for the establishment of a Combined Authority that will improve the exercise of statutory functions in relation to economic growth, skills and transport across the LA7 area.
- 1.5.2 A Combined Authority is a legal structure to lead collaboration between local authorities and enable strategic decision-making on economic growth and transport. Combined Authorities were introduced by the Local Democracy, Economic Development and Construction Act 2009 and are designed to enable groups of local authorities to work closely together to deliver improvements in economic growth and transport across local authority boundaries.
- 1.5.3 The Combined Authority is expected to come into being on or around 1 April 2014. If that date is not achievable, then it will come into existence very quickly after that date. Work is progressing to undertake all the necessary steps in relation to the establishment of the Combined Authority on the basis that the Combined Authority will come into existence on 1 April 2014.
- 1.5.4 The Order that creates the Combined Authority specifies what must be contained in the Combined Authority's Constitution including membership of the Combined Authority. The Order states that each Constituent Authority (the LA7 Authorities) shall appoint one of its elected members to be a member of the Combined Authority and to appoint another member to act as a member of the Combined Authority in the absence of the first appointed member. The second appointed member is referred to as a 'substitute member' in the Order. The Leadership Board has determined that the members, and substitute members, from the Constituent Authorities are to be Executive members from each Constituent Authority and that the first appointed member of each Constituent Authority is to be the Leader or Elected Mayor.

- 1.5.5 The Order will have been laid before Parliament by the time that this report comes before Cabinet. This means that the Secretary of State is satisfied that having regard to the consultation responses he is satisfied that, subject to what each House of Parliament has to say, that the Secretary of State is likely to make and sign the Order establishing the Combined Authority. For the reasons stated above it is essential that the Elected Mayor and her substitute are appointed and ready to sit on the first meeting of the Combined Authority.
- 1.5.6 The Combined Authority is for many aspects of local government legislation is classed as a local authority and therefore must have, in accordance with the relevant statutory requirements, Officers designated into the statutory roles of:
1. Head of Paid Service, pursuant to section 4 of the Local Government and Housing Act 1989;
 2. Chief Finance Officer, pursuant to section 73 of the Local Government Act 1985; and
 3. Monitoring Officer, pursuant to section 5 of the Local Government and Housing Act 1989.
- 1.5.7 It is proposed that these statutory roles will, in the first instance in relation to the Combined Authority, be filled by Officers seconded from one or more of the Constituent Authorities that have come together to create the Combined Authority.
- 1.5.8 Section 113 of the Local Government Act 1972, applied in relation to Combined Authorities by section 146A of the Local Government Act 1972, allows a local authority to place its staff at the disposal, subject to the agreement of the employee concerned, of another local authority.
- 1.5.9 The secondments need to be in place immediately before the Combined Authority comes into being so that the Combined Authority can make the necessary designations to comply with the statutory provisions outlined above.
- 1.5.10 It is proposed that the Head of Law and Governance who is also the Authority's Monitoring Officer be seconded by the Authority to the Combined Authority for up to 2 days per week to undertake to role of Monitoring Officer of the Combined Authority. It is also proposed that this secondment be initially until the end of March 2015, subject to a review during the financial year.
- 1.5.11 The Combined Authority will, through an appropriate agreement, reimburse the Authority for the time spent by the Head of Law and Governance in this new role.
- 1.5.12 The Head of Law and Governance has had a key role in the development of the proposals for the Combined Authority and her designation as the Monitoring Officer is appropriate to provide continuity through the transition process of the Combined Authority coming into existence.
- 1.5.13 It is currently envisaged that the secondment of this Officer to the Combined Authority for up to 2 days per week can be accommodated within available resources although this will be kept under review.
- 1.5.14 The Head of Law and Governance has been consulted with respect to this secondment proposal and she has indicated that she is willing to undertake the secondment for the Authority.

1.5.15 To enable the secondment to be completed at the appropriate time, it is proposed that a delegation be granted to the Chief Executive in consultation with the Elected Mayor and the Strategic Manager – Human Resources to finalise arrangements.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

To approve the recommendations contained in 1.2 above; or

Option 2

Not to approve the recommendations contained in 1.2. Whereas Officers could be instructed to seek an alternative solution to the requirement for the Combined Authority to designate a Monitoring Officer, there is a need to have members from the Authority appointed to the Combined Authority in accordance with the Order establishing the Combined Authority.

1.7 Reasons for recommended option:

Option 1 is the recommended option as this will allow for the Combined Authority to operate with properly appointed members from the Authority's Executive and to enable the Combined Authority to designate a suitably qualified officer as its Monitoring Officer.

1.8 Appendices:

None

1.9 Contact officers:

The names, titles and contact numbers of the key officer who has contributed to the report and other relevant officers should be set out here in the following format:

Stephen Ballantyne – Lawyer Specialist: Governance and Employment Tel 0191 643 5329

John Barton – Lawyer – Tel 0191 643 5354

1.10 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:

- (1) Reports to Cabinet (24 June 2013) and Council (27 June 2013) – Creation of a Combined Authority;
- (2) The Local Democracy, Economic Development and Construction Act 2009
- (3) The draft Durham, Gateshead, Newcastle Upon Tyne, North Tyneside, Northumberland, South Tyneside and Sunderland Combined Authority Order

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

The Report sets out the proposal for the appointment of the Elected Mayor and a substitute member to the Combined Authority. The establishment of a Combined Authority has financial implications for the Constituent Authorities but there are core financial principles insofar as the Combined Authority is concerned. For transport costs, the total contribution from each Constituent Authority for the year does not exceed the equivalent cost as it would have been calculated under previous arrangements. In terms of any other costs, these will be offset by efficiency gains achieved through existing resources and utilising the skills and capacity that already exist within the Constituent Authorities.

The report also sets out the proposal for a secondment of up to 2 days per week. The costs incurred by this Authority to be recovered from the Combined Authority would be up to £0.045m per annum therefore an estimated £0.023m for 6 months. This cost is inclusive of employer's National Insurance and Superannuation and would be billed to the Combined Authority on a monthly basis. The income secured from the Combined Authority would in the first instance cover any additional costs arising from additional resource requirements if they arose.

2.2 Legal

The legal implications of this report are set out in section 1.5 of the report.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

The Elected Mayor has been consulted in relation to the proposals made in this report.

2.3.2 External Consultation/Engagement

The constituent authorities who are creating the Combined Authority have been consulted with respect to the proposal made in this report and support the secondment of the Officer concerned.

2.4 Human rights

There are no Human Rights implications arising from the report.

2.5 Equalities and diversity

There are no equalities and diversity implications arising from this report.

2.6 Risk management

There has been engagement with representatives from the Department for Communities and Local Government at an early stage and the timescales for the creation of a Combined Authority discussed in detail. The timescales are challenging if a Combined Authority is to be in place by 1 April 2014. The Leadership board of the 7 local authorities are aware of the timescales.

2.7 Crime and disorder

There are no crime and disorder implications arising from this report.

2.8 Environment and sustainability

There are no environmental and sustainability implications arising from this report.

PART 3 - SIGN OFF

- Chief Executive X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Strategic Manager Policy, Partnerships, Performance and Communications X