

## Cabinet

### 28 January 2025

### Decision Notice

In accordance with the requirements of the Authority's Constitution, notice is given that Cabinet made the decisions set out below at its meeting held on 28 January 2025.

These decisions will come into force, and may then be implemented, on the expiry of 5 working days after the publication of this notice ("the call-in period"), unless a valid request for call-in is received during the call-in period.

This decision notice was published on 29 January 2025. The call-in period will expire at 5pm on Wednesday 5 February 2025.

Further information regarding the Cabinet and its decisions can be obtained from the Authority's website [www.northeast-ca.gov.uk](http://www.northeast-ca.gov.uk) or from Paul Wheeler email: [paul.wheeler@northeast-ca.gov.uk](mailto:paul.wheeler@northeast-ca.gov.uk)

Reference and Title	Decision
61/01/25 Appointment to Cabinet – Chair of Business and Economy Board	<p><b>Resolved</b> that:</p> <ol style="list-style-type: none"> <li>1. John McCabe be appointed as the Business Board Member of Cabinet and as the Chair of the Business and Economy Board; and</li> <li>2. Emily Cox be appointed as the Substitute Business Board Member of Cabinet and as the Vice Chair of the Business and Economy Board.</li> </ol>
62/01/25 Public Service Reform Programme	<p><b>Resolved</b> to:</p> <ol style="list-style-type: none"> <li>1. Note and endorse the overall direction of the new Public Service Reform portfolio.</li> <li>2. Endorse the joint Statement of Intent for Public Service Reform in the North East.</li> <li>3. Approve an Investment Fund allocation of £350,000 to allow for rapid business case development of a Radical Prevention Programme, including support for pilots and the delivery of this work, with delegated authority to the Chief Executive, in consultation with the Mayor and Portfolio Holder, to procure and award the necessary contracts and determine arrangements, in accordance with the Single Assurance Framework and North East CA policies and procedures.</li> </ol>
63/01/25 The Leamside Investment Corridor	<p><b>Resolved</b> to:</p> <ol style="list-style-type: none"> <li>1. Note the contents of this report;</li> <li>2. Endorse the Leamside Investment Corridor approach;</li> <li>3. Agree an allocation of up to <b>£500k</b> from the North East Combined Authority Investment Fund to fund the development of the</li> </ol>

	<p>strategy and associated artefacts, including research; initial masterplan (including preliminary growth and housing strategies); cultural and creative strategy; and new area and spatial maps to illustrate the vision; and</p> <p>4. Authorise the Chief Executive, in consultation with Director of Finance and Investment, to procure and enter into contracts with third party support for the above, within the stated allocated funds and in accordance with North East CA Financial Regulations, the Single Assurance Framework and policies and procedures.</p>								
<p>64/01/25 Housing, land, and place regeneration early priorities</p>	<p><b>Resolved to:</b></p> <ol style="list-style-type: none"> <li>1. Note the progress made to date in respect of delivering Cabinet priorities through the Housing and Land Portfolio, and to endorse the work programme and priorities for 2025 set out in sections 3-5 of the report;</li> <li>2. Agree to allocate £1m of technical assistance funding to strengthen the business cases and investment readiness of schemes on the North East Strategic Place Partnership housing pipeline and to delegate approval of the final principles, eligibility, scope, delivery and procurement arrangements of the fund to the Chief Executive, in consultation with Finance and Investment Board.</li> <li>3. Agree to the launch of The North East High Streets Commission in Spring 2025, and: <ol style="list-style-type: none"> <li>a. Delegate approval to the Chief Executive, in consultation with the Mayor and Cabinet, to appoint a Chair and members of the North East High Streets Commission and to agree its terms of reference.</li> <li>b. Agree that £700,000 of Trailblazer revenue resources are allocated to build the initial local priorities and inform the development of a programme of intervention for our highstreets, with delegated authority to the Chief Executive to award this funding to the Local Authorities as delivery partners, in accordance with the North East CA financial regulations and assurance procedures.</li> <li>c. Agree that £150,000 of Trailblazer revenue funding is allocated to support the establishment, secretariat, evidence base and work of the North East High Streets Commission, with delegated authority to the Chief Executive to take all necessary steps to implement these proposals.</li> </ol> </li> </ol>								
<p>65/01/25 2025-26 Budget and Corporate Plan and the Medium-Term Financial Plan</p>	<p><b>Resolved to:</b></p> <ol style="list-style-type: none"> <li>1. Agree the Corporate Plan as set out in section 2;</li> <li>2. Agree the North East CA Corporate Budget for 2025-26 as set out in section 4;</li> <li>3. Agree the overarching delivery budgets as set out in Sections 6-10;</li> <li>4. Agree the following Transport Levies for 2025-26: <table data-bbox="622 1780 1284 1915" style="margin-left: 40px; border: none;"> <tr> <td>Durham County Council</td> <td style="text-align: right;">£16,937,200</td> </tr> <tr> <td>Northumberland County Council</td> <td style="text-align: right;">£6,747,800</td> </tr> <tr> <td>Tyne and Wear Councils</td> <td style="text-align: right;">£72,409,000</td> </tr> <tr> <td colspan="2">(allocations detailed in Table 11)</td> </tr> </table> </li> <li>5. Agree a transport revenue grant to Durham County Council for the delivery of transport services of £16,927,200, as outlined in section 17.2;</li> </ol>	Durham County Council	£16,937,200	Northumberland County Council	£6,747,800	Tyne and Wear Councils	£72,409,000	(allocations detailed in Table 11)	
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	<ol style="list-style-type: none"> <li>6. Agree a transport revenue grant to Northumberland County Council for the delivery of transport services of £6,737,800 as outlined in section 17.3;</li> <li>7. Approve the Nexus 2025-26 revenue budget including proposed use of reserves, and agree a transport revenue grant to Nexus for the delivery of transport services in Tyne and Wear of £70,246,000 as outlined in section 17.5 and Appendix E;</li> <li>8. Approve increases to Metro, Bus and Ferry fares together with a freeze in Under 16 concessionary products, as set out in section 17.7 and Appendix E;</li> <li>9. Approve Nexus' three-year capital programme (2025-26 to 2027-28), noting that funding for a sizeable part of the 2026-27 programme is yet to be secured from CRSTS Round 1; funding for the 2027-28 programme is yet to be secured from CRSTS Round 2; and that £21.676m of reserve funding and £29.850m overprogramming has been factored in to the overall financing of the programme;</li> <li>10. Approve the following BSIP fare caps for the period 1 April 2025 to 31 December 2025: <ul style="list-style-type: none"> <li>• The £1 single fare and £3 daily cap for people aged 21 and under to be retained at the existing price points;</li> <li>• Adult multi-modal daily caps to be adjusted to £5 for Durham, £6 for Northumberland, £6.80 for Tyne and Wear and £7.50 for the entire North East CA area.</li> </ul> </li> <li>11. Approve the budget for the Tyne Tunnels set out in section 18, including the proposal to increase tolls for Class 2 vehicles to £2.50 (10p increase) and Class 3 vehicles to £5.00 (20p increase) and maintain the 10% discount for pre-paid customers;</li> <li>12. Note the reserves position as set out in Section 20, which will be kept under review while consideration of additional information becomes available about the financial risks facing the North East CA and the proposed arrangements for managing those risks.</li> <li>13. Authorise the Director of Finance and Investment to accept the grant offer from Government with respect to the Made Smarter, UKSPF and the Economic Inactivity Trailblazer programmes on behalf of the Authority, subject to the terms and conditions set out by Government.</li> <li>14. Authorise the Chief Executive, in consultation with the Director of Finance and Investment and relevant Cabinet Member, to approve commencement of the associated procurement activity with respect to Made Smarter, UK SPF and the Economic Inactivity Trailblazer programmes and subsequent award of contracts.</li> <li>15. Authorise the Chief Executive, in consultation with the Director of Finance and Investment, Monitoring Officer and relevant Cabinet Member to approve project applications and contracts brought forward through the approved Made Smarter, UK SPF and Economic Inactivity Trailblazer Delivery Plans, in line with the North East Single Assurance Framework.</li> <li>16. Agree the Treasury Management Strategy and Prudential Indicators as set out in Appendix H.</li> </ol>
<p>66/01/25 2024-25 Budget Monitoring Position Update</p>	<p><b>Resolved to:</b></p> <ol style="list-style-type: none"> <li>1. Note the updated corporate budget position for 2024/25;</li> <li>2. Note the planned funding and commitment levels for the delivery programme; and</li> </ol>

	3. Approve the planned budget updates.
67/01/25 North of Tyne Combined Authority and the former North East Combined Authority 2023-24 Statements of Accounts	<p><b>Resolved to:</b></p> <ol style="list-style-type: none"> <li>1. To note the two sets of Statements of Accounts for the period ended 6 May 2024, including the Narrative Reports and Annual Governance Statements in line with Audit and Accounting Regulations 2015 as presented.</li> <li>2. Authorise the Director of Finance and Investment, in consultation with the Mayor, Chief Executive and chair of the Audit and Standards Committee, to agree to any final amendments or changes to the two sets of Statements of Accounts for the period ended 6 May 2024, including the Narrative Reports and Annual Governance Statements and thereafter to approve the same.</li> </ol>
69/01/25 Tyne Pressure Testing Project: North East Investment Fund Loan Variation	<p><b>Resolved to:</b></p> <ol style="list-style-type: none"> <li>1. Agree the partial write down of the North East Investment Fund Loan to Tyne Pressure Testing Ltd from a current balance of £3,483,613 to £435,000, as recommended by the Finance and Investment Board.</li> <li>2. Agree the repayment of the remaining balance of £435,000 by Tyne Pressure Testing Ltd as recommended by the Finance and Investment Board.</li> <li>3. Agree the application of an appropriate Upside/Clawback clause, to be triggered after five years should the cash balances of Tyne Pressure Testing Ltd exceed the agreed forecast, or there is the prospect of additional income from the sale of the asset/company subsequent to the write down of the debt.</li> <li>4. Delegate to the Chief Executive, in consultation with the Director of Finance and Investment and the Monitoring Officer, to conclude the agreement following the application of appropriate subsidy control advice.</li> </ol>
70/01/25 Sale of land by Nexus	<p><b>Resolved to:</b></p> <p>Agree to delegate final approval of the sale of Nexus land at Heworth Interchange (as shown edged red at Appendix 1) to the Chief Executive in consultation with the Mayor, the Director of Finance and Investment and the Managing Director of Nexus.</p>